

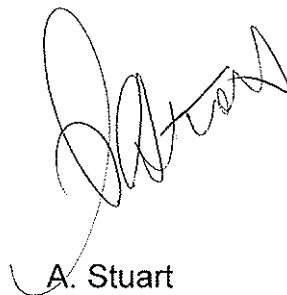
DISTRICT COUNCIL OF MOUNT BARKER

NOTICE OF SPECIAL MEETING

Notice is hereby given that the following Special Meeting will be held in the Local Government Centre on Tuesday 13 September 2005.

11.00am

Special Council Meeting



A. Stuart
CHIEF EXECUTIVE OFFICER

6 September 2005

1. APOLOGIES**2. CONFIDENTIAL REPORTS BY OFFICERS**

**2.1 REPORT TITLE: STAFF ACCOMMODATION
REDEVELOPMENT**

DATE OF MEETING: 13 SEPTEMBER 2005

AUTHOR: NARELLE JEFFERY

**AUTHOR'S TITLE: MANAGER ORGANISATIONAL
DEVELOPMENT**

REPRESENTORS: NIL

FILE NUMBER: 10130/053

**ATTACHMENTS: CONFIDENTIAL - STAFF
ACCOMMODATION REDEVELOPMENT
MASTER PLAN – FINAL REPORT**

DEPARTMENT: CHIEF EXECUTIVE'S UNIT

**DEPARTMENT
MANAGER: ANDREW STUART**

PURPOSE

For Council to endorse the Staff Accommodation Redevelopment Master Plan and the commencement of the design stage of the redevelopment.

RECOMMENDATION

1. That pursuant to Section 90(2) and 90(3) of the Local Government Act 1999 the District Council of Mount Barker orders that the public be excluded from attendance at the meeting to consider in confidence matters regarding commercial information of a confidential nature (not being a trade secret) the disclosure of which:
 - (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
 - (ii) would, on balance, be contrary to the public interest.

2. That the Chief Executive Officer, General Manager Assets & Infrastructure, General Manager Strategy and Development, Manager Organisational Development and the Minute Secretary be permitted to remain in the room.
3. That Council endorses the Staff Accommodation Redevelopment Master Plan.
4. That Council endorses Option 3 - Staged Approach as the preferred option for the expansion and upgrade of the Local Government Centre Staff Accommodation.
5. That \$172 000 be allocated in the 2005/2006 financial year to commence the preparation of detailed designs for the expansion and upgrade of the Local Government Centre Staff Accommodation.
6. That Council engage an independent project manager to be involved at two value management sessions during the design stages of the project at an approximate cost of \$3000.
7. That the Council orders pursuant to Section 91(7), (8) and (9) of the Local Government Act 1999 that the discussion, reports, attachments and minutes relating to this item be kept confidential until 5 September 2006.

extended at Council Mtg 4 Sept 2006 to 6 September 2007 extinguished at 6 August 2007 meeting.

BACKGROUND

Council at its meeting on 7 June 2004 resolved the following:

- 1) *That to meet long term needs of its growing community Council resolves to consider the redevelopment of staff accommodation in its current location at 23 Mann Street Mt Barker.*
- 2) *That Council appoints Consultant number 1 as per confidential item number 1 for Stage 1.*
- 3) *That subject to accepting the Master Plan at a subsequent Council meeting, Council appoints consultant number 1 to Stage 2 in accordance with fees and charges as detailed in confidential Attachment 1 to Item 12.8.*

- 4) *That the name of the consultant be made public at the conclusion of the Council meeting.*

In addition, Council at its meeting on 21 March 2005 resolved:

That in light of the Consultant's report due 30 March 2005 and the need to identify costs involved in other infrastructure projects, that the staff accommodation upgrade be referred for consideration by Council as part of its 10 year capital works program.

DISCUSSION

In order to commence the Staff Accommodation Redevelopment project it is recommended that Council endorses Option 3 - Staged Approach as the preferred option for the staff accommodation redevelopment.

The Staff Accommodation Redevelopment Master Plan, as prepared by consultants Hames Sharley, presents three (3) options for Council's consideration, namely:

- Option 1 - Short Term - adopts a minimal approach that meets the immediate needs of staff. The preliminary costing for the expansion is \$2.870 million, which is the least expensive of the three options. However, this option does not provide an increase in space for community activities nor improvements to the Council amenities. It is less flexible in allowing the centre to expand in the future, and it has much fewer ESD initiatives.
- Option 2 - Long Term - adopts a long-term approach which meets all the spatial and amenity requirements of the building, and a larger number of ESD initiatives to a 4 star rating performance level. At \$5.307 million, this is the most costly option.
- Option 3 - Staged Approach - based on the Short Term Option that adopts many of the ESD initiatives (4 star performance rating) proposed in Option 2 and allows for future expansion of the building at a later date. This option is costed at \$3.113 million.

These Options are addressed in more detail in the Hames Sharley Master Plan Final Report attached (Confidential Attachment 1 to Item 12.5).

To enable the commencement of the next stage in the redevelopment project, namely the development of detailed designs and preparation of contract documentation for the tendering process, it is recommended that Council endorses the allocation of \$172 000 in the 2005/2006 financial year. The \$172 000 has been included in the Draft 10 Year Financial Plan for the 2005/2006 financial year for the detailed design, documentation and tender process stage of the staff accommodation redevelopment project.

To ensure that Council is getting value for money as part of the Staff Accommodation Redevelopment project, it is recommended that an independent third party be involved on the project at select stages.

It is recommended that Council engages a project manager to be involved in the project at two value management sessions during the early design stages of the project. The project manager would review the designs, pre-tender documentation and construction costs prepared by Hames Sharley and provide feedback to Council. The value management sessions would be scheduled firstly at the design stage just prior to submission for development/planning approval, and secondly at the end of the design development stage just prior to the commencement of contract documentation. The cost of engaging an independent project manager for two value management sessions would be approximately \$3000.

POLICY IMPLICATIONS

1. Financial/budget

The recommendation seeks Council endorsement of the master plan, the identified preferred option and the allocation of funds to move to the next stage of the detailed design, contract documentation and tender process at a cost of \$172 000.

\$172 000 has been included in the Draft 10 Year Financial Plan for this stage of the project. To commence with the next stage of the staff accommodation redevelopment it is recommended that Council allocates these monies in the 2005/2006 budget to be incorporated into the next quarterly budget review process.

2. Legal

Council will be required to comply with the conditions of the contract developed with the consultants Hames Sharley and follow relevant legislative requirements.

3. Staffing/Work Plans

The Staff Accommodation Redevelopment is being managed by the consultants Hames Sharley with the assistance of the Manager Organisational Development and other select Council officers.

A significant level of staff consultation will occur during the detailed design and documentation stage to ensure that the short and medium to long term needs of staff are met wherever practicable.

4. Environmental

The recommended preferred option aims to enhance the environmental performance of the staff accommodation building.

5. Social

Not applicable at this stage.

6. Strategic Plans

The upgrade of staff accommodation to cope with a growing community is recognised as a key asset development initiative within the strategic plan context.

COMMUNITY CONSULTATION**1. Customer Needs Analysis**

The staff accommodation requirements have been considered in the options submitted as part of the Staff Accommodation Redevelopment Master Plan. These requirements have been considered in light of a growing community and an increased role that local government performs in the community.

The Staff Accommodation Redevelopment is important to the health and wellbeing of Council's employees. Employees have been long working in an environment that has significant space restrictions, poor comfort levels (ie heating/cooling) and old and worn fixtures and fittings that are considered detrimental to providing a positive and productive work environment.

2. Promotion/Communications

Consultation with the community will be required to be conducted prior to the tendering process stage of the project being undertaken. Indications from the consultant are that the tendering process can occur early January 2006 therefore community consultation will need to occur late 2005.

District Council of Mount Barker Staff Accommodation Redevelopment Master Plan Final Report

Prepared for the District Council of Mt Barker by:

HAMES SHARLEY SA

Hames Sharley Holdings Pty Ltd

30509

15 March 2005

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- Appendix I: Existing Building Drawings
- Appendix II: Option One: Short Term
- Appendix III Option Two: Long-Term
- Appendix IV: Option Three: Staged Approach

1. BACKGROUND

The District Council of Mt Barker has determined that its civic centre no longer meets the expectations of staff, the community and visitors. In summary:

- office accommodation is insufficient in space, not only for current staff, but also the expected increase in staff in the next 15 years;
- the quality of office accommodation is viewed as substandard and does not meet accepted standards;
- functionality between units is extremely poor, with staff split between floors and several staff accommodated offsite;
- current meeting spaces, including Council chambers, are limited and inflexible;
- car parking provision is inadequate;
- staff amenities are limited and of poor quality; and
- the existing exterior and interior of the building presents a poor image to the community and visitors.

Based on the above, Council commissioned Hames Sharley to develop several master planning options, based upon investigations into current and projected space requirements, functionalities, design and costs.

The final master plan options presented here have sought to maximise the use of the existing built form; provide improved staff amenities, workspaces and functionality; verify the potential for the redevelopment to be designed to energy and 'Green Building' benchmarks; link the building with surrounding public open space; and offset costs through the sale and/or development of surplus land and reduced long-term operational costs.

The end product is to be the creation of a civic centre which relates to the needs and aspirations of the community, and provides an improved working environment for staff.

2. SPATIAL REQUIREMENTS

There are a number of issues relating to current and planned spatial requirements, including office accommodation, meeting rooms, council chambers, staff amenities, foyer and car parking. (Drawings for the existing building are included in Appendix 1.)

Council's Working Party and elected members have worked closely with the design team to determine spatial requirements based upon current identified need, projected need (based upon future population growth) and benchmarks, that is, minimum space requirements based upon established guidelines for office accommodation.¹

Office Accommodation

- Council currently employs 61 staff at the civic centre, plus some casual staff who must 'hot desk' as there are insufficient workstations.
- There is already insufficient space to accommodate additional staff without relocating functions or making internal structural changes to the building. This has limited Council's ability to take on short-term projects.
- Many staff workstations do not currently comply with the requirements of the Government Office Space guidelines.
- The restricted space has resulted in work units being split between floors, resulting in poor functionality.
- The growth in business and population (from 23,000 residents today to 32,000 by 2020), plus the devolution of responsibilities from State to Local Government, means there will be a significant growth in the demand for Council services and, therefore, an increase in staff numbers over the next 15 years. Office accommodation within the council building needs to expand by approximately 315m² (from 659m² to 974m²) to accommodate the anticipated increase in staff (up to 30% or 20 full-time officers).

Council Chamber

- The Council chamber is only 97m² in area and is therefore unable to accommodate large public meetings and events. Ideally, a new larger chamber would be included in the redevelopment.

¹ Government of South Australia, *Office Accommodation Guidelines*

Meeting Rooms

- The need to constantly enhance communication between areas has resulted in an increase in the use of meeting rooms to the point that they are constantly booked.
- Some meeting rooms (e.g. interview rooms) have already been converted into offices and others will soon be required for new staff.
- The Working Party identified the need for 3 meeting rooms of varying sizes, which can accommodate from 4 to 15 people, and two interview rooms.
- The Mayor's office can double up as a meeting room.

Staff Amenities

- Staff amenities are significantly limited. For example, the lunch room has been configured in such a way that it can only sit six people at a time, and the room has no natural light.
- Staff have indicated a preference for a lunch / staff function space that is integrated with an outdoor function area.

Foyer

- The foyer space is considered to be too small and inflexible. Council has indicated a preference for a larger area to enable a number of counters for different functions (e.g. planning) to be provided, and the return of interview rooms to enable residents to discuss confidential matters in private.
- The Short-Term and Staged options both retain the existing reception counters as they were upgraded only earlier this year.

Car Parking

- The staff car park is currently at capacity.
- The Working Party asked the design team to consider expanding parking beyond the current western boundary, towards the bowling green.

The following table summarises the current situation and optimum future space requirements.

SUMMARY OF SPATIAL REQUIREMENTS

EXISTING				FUTURE (+ 30% STAFF)			
STRATEGY	#	m ² PIP	total m ²	STRATEGY	#	m ² PIP	total m ²
General Manager	1	11	11	General Manager	1	16	16
Staff	7	12.71	89	Workstations	9	11	99
CORPORATE				CORPORATE			
General Manager	1	9	9	Office	1	18	18
Reception	5	8.6	43	Workstations	7	9.3	65.1
Staff	17	11.71	199	Workstations	23	11	253
DEVELOPMENT & TS				DEVELOPMENT & TS			
General Manager	1	11	11	Office	1	16	16
Staff	28	10.18	285	Workstations	37	11	407
CEO	1	12	12	Office	1	25	25
SUBTOTAL	61		659	SUBTOTAL	80		895.1
				Spare W/S [1 per 10]	8	9.3	74.4
TOTAL STAFF	61		659	TOTAL STAFF	88		973.5
CIRCULATION SPACE				CIRCULATION SPACE			
Foyer	122		122	Foyer			150
Copy Room	35		35	Copy Room			100
Records	6		6	Records			16
Store	66		66	Store			80
Meeting	9		9	Meeting - 4 people			25
	16		16	Meeting - 8-10 people	3	11	33
				Meeting - 15 people	2	25	50
				Interview Room	1	35	35
				Lunchroom	2	11	22
				Kitchen	1	50	50
				WC Female	1	8	8
				WC Male	3	12	36
				Urinal	2	9	18
				WC Disabled	2	9	18
				SUBTOTAL	1	5	5
SUBTOTAL	280		280	SUBTOTAL	1	5	5
MEMBERS				MEMBERS			
Mayor	1		26	Mayor	1	26	26
Chambers	97		97	Hall	120	1	120
Kitchen	1		13	Kitchen	1	20	20
WC Female	1		9	Pans	2	9	18
WC Male	1		15	Pans	1	9	9
Urinal	2		15	Urinal	1	5	5
				WC Disabled	1	5	5
MEMBERS TOTAL	151		151	MEMBERS TOTAL	192		192
TOTAL AREA			1,090.0	TOTAL AREA REQUIRED			1,760.5

3. KEY DESIGN ISSUES

Issues relating to the design of the civic centre include its public image, urban setting, functionalities, access, ecological sustainability, lighting, heating and ventilation, safety and security, OHS&W of staff, and fitout.

Public Image

A council's civic centre serves an important function, both in terms of the services it provides and the impression it creates. Mt Barker's Council building is outdated and presents a poor image of the Council to staff, local residents and visitors. Whilst this is a key issue, there was general agreement amongst elected members that the major priority was the upgrading of office space for staff.

Urban Setting

- Council determined that the existing site was appropriate for the redevelopment project; it is close to the main street and shopping area of Mt Barker, it has good street frontage and safe and attractive pedestrian access, although access to parking for staff is limited.
- The location of the civic centre adjacent to the creek presents the opportunity to improve linkages between the town centre and the open space linear park at the rear of the building, and between the park and the building itself for the benefit of both staff and the community.
- However, the location next to the creek also limits the capacity to extend the building to the rear.

Functionalities

- The functionality of a building means the quality of the relationships and access between spaces. Good functionality means there are clear and logical relationships and easy movement between spaces.
- The configuration of spaces within the Council building has resulted in poor functionality. For example, the isolation of Horticulture and the General Inspectors (currently on the 1st floor) from the General Manager D&T Services, Administration and Engineering, Planning and Health on the ground floor causes inefficiencies and lost productivity, as well as lost opportunities for information exchange, advice, support and supervision.

- The Council chamber is an inflexible space, allowing for only a limited gallery. Its configuration and fitout means that it cannot be used for large public meetings, displays and civic events. Not only is this inconvenient and costly for Council, it means that it is unable to support other local organisations through the provision of low-cost or free meeting / exhibition space.
- To enable public functions to be held in the chamber, it should have direct access to a kitchen or food preparation area.

Accessibility & Mobility

Access for people with a disability has become an increasingly important issue and legislation such as the Commonwealth Disability Discrimination Act 1992 is having a significant impact on how services are designed and provided.

An advantage of the location of the Council building is its easy ground floor access, not only for people with a disability, but also older people and parents with prams. However, the building is currently without a lift, which limits access to the first floor (at the time of construction this was not a requirement of the Building Code of Australia, however, this has since changed).

Each of the concept plans for the redevelopment of the building incorporates a lift which will improve accessibility for staff and visitors, and comply with the Building Code of Australia.

Fitout

- Much of the existing fitout, such as carpets, has come to the end of its economic life. Nevertheless, Council expects to re-use much of the internal fitting, for example furniture, for the immediate future to reduce expenditure.

This report does not examine in detail the extent of furniture and equipment suitable for re-use. Costs of such items have been excluded from the figures provided in this report.

- There are a number of sustainable initiatives that can be factored into the design of the fitout component of the project, for example:
 - o The re-use of existing building components such as timber, ceiling tiles, and aluminium window and door frames.

- o In addition, the specification of fitout components can stipulate the use of sustainable materials such as sustainable or recycled timber, or it can stipulate the use of alternatives to PVC such as HDPE pipes and fittings.
- o Furthermore, it is possible to improve the indoor environmental quality of the building by specifying low VOC (Volatile Organic Compounds) paints, carpets and adhesives.

The majority of fitout issues will be determined during the detailed design stage of the project.

Ecologically Sustainable Development

The redevelopment of the civic centre provides the opportunity to incorporate ecologically sustainable development (ESD) initiatives, including:

- water conservation and re-use through the flushing of toilets, irrigation of landscaping etc.;
- natural ventilation to increase the provision of fresh air, cooling the building at night, improved airflow;
- window glazing; and
- increased use of natural light and reduction in artificial lighting.

Whilst the incorporation of ESD principles in the design can be expected to add to the initial construction cost, this will be offset in the longer term by lower running costs through reduced outgoings, and a healthier and more productive work environment. It will also signal to the community Council's commitment to ESD principles and lead the way for other development in the Mt Barker district. There are also obvious benefits to the environment and, depending on the option chosen, the opportunity for Council to achieve a Green Star rating for its offices.

The costings and payback period of ESD initiatives will be investigated during the detailed design stage of the project.

Water Conservation

There are a number of ways to improve water conservation in new and existing buildings and these are generally aimed at reducing the potable water consumption for sanitary use by the building occupants. Initiatives that could be adopted include:

- the installation of water-efficient appliances such as 4 star or 5 star-rated taps and showerheads; the actual use of potable water

can be drastically reduced without adversely affecting the comfort and hygiene of the building occupants;

- the use of dual flush cisterns, with 4½ star smart-flush water saving technology;
- the provision of water sub meters can greatly assist in detecting possible water leaks such as those that could occur in the irrigation system;
- water harvesting from roofs and other impervious surfaces, such as pavements and parking areas, which can be used for toilet flushing and irrigation; and
- installation of drip irrigation in lieu of spray irrigation systems.

Water Recycling

- Water recycling or the use of grey water can also be considered. Grey water consists of water recovered from sinks and showers, and other water sources that do not contain food or human waste. This water can be stored for irrigation or toilet flushing purposes, but it needs to be used within a short time after collection to avoid excessive water treatment.
- The use of blackwater is generally not considered economical for a project of this size because of the high cost of an effective sewage treatment system.

Lighting

There are a number of ways to introduce sustainable initiatives in buildings when it comes to lighting. Some of these are very economical, whilst others will require considerable capital expenditure.

- A first option is to improve the indoor environmental quality by increasing the quantity of natural daylight to which the building occupants and users are exposed. This is generally achieved through careful design of the appropriate building elements such as window, roof lights and clerestoreys. It is a known fact that natural daylight improves the well-being and productivity of a building's occupants.

When increasing the quantity of natural daylight, careful consideration must be given to providing the occupants with the means to reduce glare at certain periods of the year and times of the day. The provision of individually controllable blinds or screens should be incorporated in the design of the building envelope.

- Another option for Council is the replacement of existing fluorescent light fittings with new energy-efficient fixtures which utilise high frequency ballasts. Conventional ballast can cause eye strain due to the 50Hz flicker which they produce.
- When designing the new lighting, further energy savings can be achieved by reducing the lighting levels where required with localised task lighting. The provision of individual lighting controls such as simple switches allowing fairly small areas to be switched will further reduce energy consumption.
- Finally, the selection of external lighting fixtures minimising light pollution into adjoining properties or into the sky will further ensure that the building remains in harmony with the environment.

Heating & Ventilation

- The existing air conditioning and ventilation consists of a variety of dated types of air conditioning systems which have exceeded their economical service life. In addition to this, some of the units do not introduce outside air into the office space.
- In designing an environmentally friendly work place, special attention is placed on the ventilation rates and to this end the quantity of fresh air is designed to exceed that stipulated in the applicable standards. It has been demonstrated that the productivity level of occupants increases with the quantity of fresh air introduced into the work space (a statutory requirement for all new air conditioning systems).

Safety & Security

- Lighting around the perimeter of the building is needed to improve property security and safety for staff and visitors when leaving the building at night.
- The chamber should have direct external access to avoid the need for visitors to travel through office areas, thus enhancing security during after hours activities.

4. MASTER PLAN OPTIONS

A total of three master plan options were prepared for Council's consideration:

- The Short-Term Option adopts a minimal approach that meets the immediate needs of staff. The preliminary costing for the expansion is \$2.870 million, which is the least expensive of the three. However, this option does not provide an increase in space for community activities nor improvements to the Council amenities. It is less flexible in allowing the centre to expand in the future, and it has much fewer ESD initiatives. A copy of the drawings is attached in Appendix 2.
- The Long-Term option adopts a long-term approach which meets all the spatial and amenity requirements of the building, and a larger number of ESD initiatives. At \$5.307 million, this is the most costly option. A copy of the drawings is attached in Appendix 3.
- The Staged option proposes a staged approach based on Option One. Unlike Option One, however, it adopts many of the ESD initiatives proposed in Option Two, and allows for future expansion of the building at a later date, as demand and finances determine. The option is costed at \$3.113 million. A copy of the drawings is attached in Appendix 4.

4.1 Option 1: Short Term

Option One is a minimum, short-term solution which meets the immediate needs to improve space and OHS&W conditions for staff and visitors. It also achieves a small increase in the size of the chamber.

In summary, this option provides:

- accommodation for current and projected future staffing levels;
- staffroom facilities and improved amenities;
- marginal increase in foyer space whilst retaining the existing reception;
- meeting room, interview & public toilets accessible from the foyer;
- additional car parking;
- increased chamber size; and
- disabled access to the first level via a new lift.

It does not, however, address the following needs:

- increase in community facilities;
- green star rating;
- improved staff and public amenities;
- preferred increase in internal public space; and
- direct link to the chambers from the kitchen and WC.

The financial benefits of this option are:

- lower initial expenditure; and
- upgrade of services will marginally reduce running costs.

However, these will be offset by the financial disadvantages, including:

- loss of potential rate revenue from Lot 259;
- non-effective use of space;
- relocation of staff during renovations;
- maintenance of an aging facility;
- maintenance of larger grounds; and
- financial commitment to this direction – it would not be viable to undertake minor extensions now that would be redundant when future extensions are required at a later date.

If this option were adopted, Council would be committed to retaining the land in the long-term.

4.2 Option 2: Long Term

Option Two involves the extension of the Council offices towards Mann Street and the demolition of the existing Council chamber, thus creating a vacant block between the Council building and the SA Ambulance / St John's depot. It meets Council's long-term requirements, achieves a greater number of ESD initiatives and will improve running costs over the long-term, however, the upfront capital cost is much greater.

The advantages of this option include:

- accommodation for current and projected future staffing levels;
- improved staffroom facilities and amenities;
- larger foyer and reception area;

- meeting rooms, interview room / areas & public toilets accessible from the foyer;
- larger chambers which will enable a gallery at important Council meetings;
- provision of additional community facilities, including a community hall;
- provision of public space and exhibition area;
- direct link to the chambers from the kitchen and WC;
- disabled access to the first level via a new lift;
- additional car parking;
- improved linkages from the Town Centre to the linear park;
- ESD initiatives which will enable the building to achieve Green Star rating and set a benchmark for development in the district; and
- more efficient use of Council assets through consolidation.

The financial benefits of this option are:

- Lot 259 achieves current market valuation and can achieve a return to Council through its sale or leave, or joint venture development as well as revenue from rates;
- economic benefit to the town through the consolidation and development of a site close to the town centre;
- reduced maintenance costs;
- reduced running costs through the implementation of ESD initiatives;
- ability to retain more staff on site during construction through staging of works; and
- the multi-purpose use will enable Council to free up other Council assets for alternative uses or disposal.

The key disadvantages of this options are the greater expenditure and lengthier construction period, and a loss of Council assets through the disposal of land.

4.3 Option 3: Staged Approach

In response to feedback received from the Working Party and elected members, a third option was developed. This Option is effectively a combination of elements of Options One and Two. It achieves immediate improvements in space and work conditions for staff, however, it does not involve the creation of new chambers at this stage. It does incorporate the ESD initiatives proposed in Option Two, where possible, with the view to creating a platform now which will enable the building to achieve a 4 star rating in the future.

It allows additional works proposed in Option Two to be implemented in a staged approach over time as determined necessary and as finances allow.

Therefore, the works proposed in Option Three will be approached in a way which facilitates expansion in the future and minimises abortive works.

The advantages of this option include:

- All the benefits of Option 1 in providing the much needed improvement of staff facilities, without the large financial commitment of Option 2.
- The benefit of being able to stage the work to achieve all the benefits of Option 2, without a large initial financial outlay. This is achieved by minimising the cost of work on the western portion of the building in its initial stage.

The disadvantages of this option include:

- The higher level of ESD incorporated in relation to Option 1, means that a larger area must be vacated by staff for a longer period of time during construction.
- It is more expensive to build in two separate stages, than all at the same time.

5. FINANCIAL IMPACT

The financial impacts of the proposed redevelopment have been investigated to ensure that the centre remains not only functional, but also viable for the future. Investigations included capital and operational costs, opportunities to increase revenue and strategic management of Council's assets.

5.1 Costs

Capital Expenditure

Capital expenditure to consider as part of the redevelopment includes:

- demolition;
- construction of the extension;
- refurbishment of the existing building, including upgrading works to ensure compliance with codes and standards (e.g. fire safety standards);
- external works;
- ETSA augmentation;
- furniture and fittings; and
- staff relocation during the construction period.

ESD Initiatives

The proposed ESD initiatives are expected to increase the upfront capital costs, however, these will be offset over the longer term by a reduction in operational costs. In particular:

- The use of high efficiency sanitary fixtures and tapware generally has a 15 to 20% cost premium when compared to conventional fixtures. The cost of a water meter is in the order of \$800.00 per metre supplied and installed. A drip irrigation system will cost approximately \$1.00 per square metre of landscaped area.
- Grey water treatment will cost in the order of \$20,000, whilst the provision of a 10,000 litre rain water tank will be in the order of \$5,000.
- The cost to provide energy efficient T5 fluorescent light fittings throughout the office is estimated to be in the order of \$40,000.

Operational Costs

Whilst capital expenditure will be the most significant cost associated with the project, in evaluating each of the options Council should also consider operational costs, including:

- The poor design and limited space of the building will make it difficult for Council to recruit and maintain quality staff, which will add to operational costs over the longer term.
- The inflexibility and limited space of the Council chamber means that Council must hire other spaces for large public meetings or events. This results increased expenditure for hire and also lost time in setting up offsite.

Fitout Costs

Fit out will be a major component of the overall budget and is generally considered during the detailed design and documentation phase. The re-use of recycling of materials should not carry a cost premium as this can be achieved through design from the outset.

However, other items may require replacement, such as:

- Shelving;
- meeting room equipment, i.e. tables, chairs, whiteboard, kitchen equipment;
- visitors chairs;
- computer hardware and software;
- workstations and office furniture;
- signage;
- reception desk;
- information and other service desks;
- security system;
- photocopiers, fax machine and other resource equipment;
- carpet/floor covering;
- window treatments, i.e. blinds, curtains etc.;
- telephones;
- noticeboards; and
- display cabinets.

Council's budget should make provision for all these items, which could account for 10% of the total redevelopment project. Council should note that the above items have been excluded from the cost estimates provided below.

Lost Revenue

- The inflexibility of the Council chamber means that it cannot be hired to other organisations, resulting in a potential loss of revenue.

5.2 Cost Summaries

The estimated total costs of the three options are as follows:

Option 1 – Short-Term	\$2,830,500
Option 2 – Long-Term	\$5,307,000
Option 3 – Staged Approach	\$3,112,500

These estimates exclude costs for ETSA Augmentation, Furniture, Fittings and Equipment, Escalation and GST. The key points of difference between the options are:

- Demolition costs for the Short-Term and Staged Options are \$40,000, whereas the Long-Term Option, which includes demolition of the chambers, is \$100,000.
- Extension costs for the Short-Term Option is approximately \$1.23m and \$1.12m for the Staged Option. The cost for the Long-Term Option is substantially higher at \$3.48m.
- The cost of the lift is \$110,000, which is the same for all 3 options.
- Refurbishment costs are highest for the Staged Options as additional recladding of the façade and glazing is required.
- External and site works for the Short-Term and Staged Options are both costed at \$250,00. The Long-Term Option is costed at \$350,00.
- Costs for Staff Relocation and Accommodation during construction are higher for both the Short-Term Option (\$250,000) and Staged Option (\$300,00) as these require staff to be moved offsite during works. As the Long-Term Option is able to accommodate staff on-site during works, the cost for internal relocation of staff is estimated at \$50,000.

The following three tables summarise total costs for each of the master plan options.

MT BARKER STAFF ACCOMMODATION REDEVELOPMENT - SHORT TERM OPTION

Total Cost Summary

GFA: Gross floor area

Rates current at November 2004

Zone	Level	GFA m ²	Cost/m ²	Total Cost
A	DEMOLITION			\$40,000
B	EXTENSION			
	B1 Ground Floor	275	2,400	660,000
	B2 First Floor	130	2,550	331,500
	B3 New Canopy / Sun Shading			125,000
	B4 Lift			110,000
		360	\$3,107	\$1,226,500
C	REFURBISHMENT			
	C1 Ground Floor	335	1,200	402,000
	C2 First Floor	335	1,200	402,000
		670	\$1,200	\$804,000
D	EXTERNAL WORKS			\$250,000
E	ETSA AUGMENTATION			Excl.
F	FURNITURE, FITTINGS, EQUIP.			Excl.
G	STAFF RELOCATION / ACCOMMODATION			\$300,000
H	CONTINGENCIES			\$250,000
I	ESCALATION			Excl.
J	GOODS AND SERVICES TAXATION			Excl.
Total Cost				\$2,830,500

MT BARKER STAFF ACCOMMODATION REDEVELOPMENT - LONG TERM OPTION

Total Cost Summary

GFA: Gross floor area

Rates current at November 2004

Zone	Level	GFA m ²	Cost/m ²	Total Cost
A DEMOLITION				\$100,000
B EXTENSION				
B1	Ground Floor	640	2,400	1,536,000
B2	First Floor	640	2,550	1,632,000
B3	Canopies / Sun Shading			200,000
B4	Lift			110,000
		1,280	\$2,717	\$3,478,000
C REFURBISHMENT				
C1	Ground Floor	335	1,200	402,000
C2	First Floor	335	1,200	402,000
C3	Reclad Façade / Glazing			150,000
		670	\$1,424	\$954,000
D EXTERNAL WORKS				\$350,000
E ETSA AUGMENTATION				Excl.
F FURNITURE, FITTINGS, EQUIP.				Excl.
G CONTINGENCIES				\$375,000
H STAFF RELOCATION (Excludes Temporary Accommodation)				\$50,000
H ESCALATION				Excl.
I GOODS AND SERVICES TAXATION				Excl.
Total Cost				\$5,307,000

MT BARKER STAFF ACCOMMODATION REDEVELOPMENT - STAGED OPTION

Total Cost Summary

GFA: Gross floor area

Rates current at November 2004

Zone	Level	GFA m ²	Cost/m ²	Total Cost
A	DEMOLITION			\$40,000
B	EXTENSION			
	B1 Ground Floor	230	2,400	552,000
	B2 First Floor	130	2,550	331,500
	B3 New Canopy / Sun Shading			125,000
	B4 Lift			110,000
		360	\$3,107	\$1,118,500
C	REFURBISHMENT			
	C1 Ground Floor	335	1,200	402,000
	C2 First Floor	335	1,200	402,000
	C3 Reclad Facade / Glazing			300,000
		670	\$1,648	\$1,104,000
D	EXTERNAL WORKS			\$250,000
E	ETSA AUGMENTATION			Excl.
F	FURNITURE, FITTINGS, EQUIP.			Excl.
G	CONTINGENCIES			\$300,000
H	STAFF RELOCATION / ACCOMMODATION			\$300,000
I	ESCALATION			Excl.
J	GOODS AND SERVICES TAXATION			Excl.
Total Cost				\$3,112,500

5.3 Revenue Opportunities

The project team considered a number of opportunities to raise revenue to help offset the costs of the redevelopment, including the sale and/or lease of redundant Council assets, and the development of space adjacent to the civic centre, either as part of the current expansion or at a later date.

Development Opportunities

Land prices are increasing in the Mt Barker commercial centre. The civic building occupies a relatively small percentage of the land it sits within, meaning there is currently an underutilisation of Council's assets.

Option 3, which involves the demolition of the existing Council chamber and the creation of a vacant allotment (proposed Lot 259) between the Council building and the St John's depot, provides the opportunity to release some of or all of this land for other developments which would offset the cost of the redevelopment project.

This outcome would create a denser development solution than Option One, and is consistent with good planning strategy and policy in a rapidly growing regional centre.

From a commercial viewpoint, the site is in the quiet end of town. In the context of the proposed redevelopment of the Council offices and the site's relative isolation from the major retail anchors to the west of Gawler Street, it is better suited to commercial rather than retail development.

The proposed allotment, being approximately 30m by 90m, is not ideally proportioned for a development site, although it does have something of a double frontage, given the creek along its rear boundary.

On the basis of the land's apparent development capacity under Council's current Development Plan, its value as a stand-alone development site of approximately 2,650m², is suggested to be in the order of \$250psm to \$300psm or \$650,000 to \$800,000, notwithstanding that much higher rates have been paid to consolidate sites elsewhere in the town centre.

Discussions with DAIS regarding potential state government accommodation requirements in Mt Barker in the short to medium term indicate that there is likely to be minimal demand

for new regional government office facilities within the next few years.

Preliminary enquiries reveal that only two agencies have indicated any interest in Mt Barker and that their aggregate requirement is less than 500m². There is a third agency which may also be interested, but would only require 300m². Total demand from this sector therefore appears to be well under 1,000m².

In addition to the discussions with DAIS, Transport SA has advised that it has no present requirement and that, if and when it does, it will be procured via DAIS.

The MFS and CFS were also approached and advised that:

- while there is a pending requirement for a new regional fire station at Mt Barker, its form will be dependent upon the decision of the new, amalgamated Fire & Emergency Service Board (the formation of the Board is pending legislation). The station might be built under either an urban (MFS) or rural (CFS) model and is probably 3 to 5 years away.
- The MFS follows a philosophy of awareness and education and, to this end, prefers high profile sites, such as Norwood Parade and Elizabeth Way. Mann Street would be an almost perfect location for an urban modelled station, providing both good access and profile.
- The MFS requires a site of not less than 3,500m², but prefers 5,000m². A new station typically involves a \$3 million single level commercial grade building, designed to withstand 24 hour/7 day use over a 40-year life.
- The CFS is looking to buy approximately 2,000m² of land to build a new training and operations facility at Mt Barker within the next three years. A Mann Street site is a possibility for all or some of it, and co-location with the MFS or the SA Ambulance Service is plausible.

Based upon the above investigations, it is suggested that the commercial potential of Lot 259 would be greatly enhanced by its amalgamation with the adjoining St John's allotment.

With regards to rental levels, it is suggested that the on-completion current market rental for good, average quality commercial office space in this location is in the order of \$175psm to \$200psm and that, fully tenanted, a new building

of 1,300m² would have an indicative value of \$2.7 million (assuming rent of \$190psm and a yield of 9.0%).

Lease of other Council Assets

As to the vacant section of the old Town Hall on Gawler Street, which it is understood has a gross lettable area of some 150m² (excluding the stage, kitchen, toilets and existing rental tenancies), it is suggested that the likely net rental range may be to the order of \$200psm to \$250psm. However, it should be noted that this estimate has not been based on an internal investigation of the site and does not, therefore, account for any capital expenditure which might be required to bring it up to the required standard for retail purposes.

6. CONCLUSION

In summary, in comparison with other similar sized councils, the current Council building is considered inadequate not only in terms of spatial requirements, but also functionality and general levels of amenity. In particular, working conditions for staff are considered substandard.

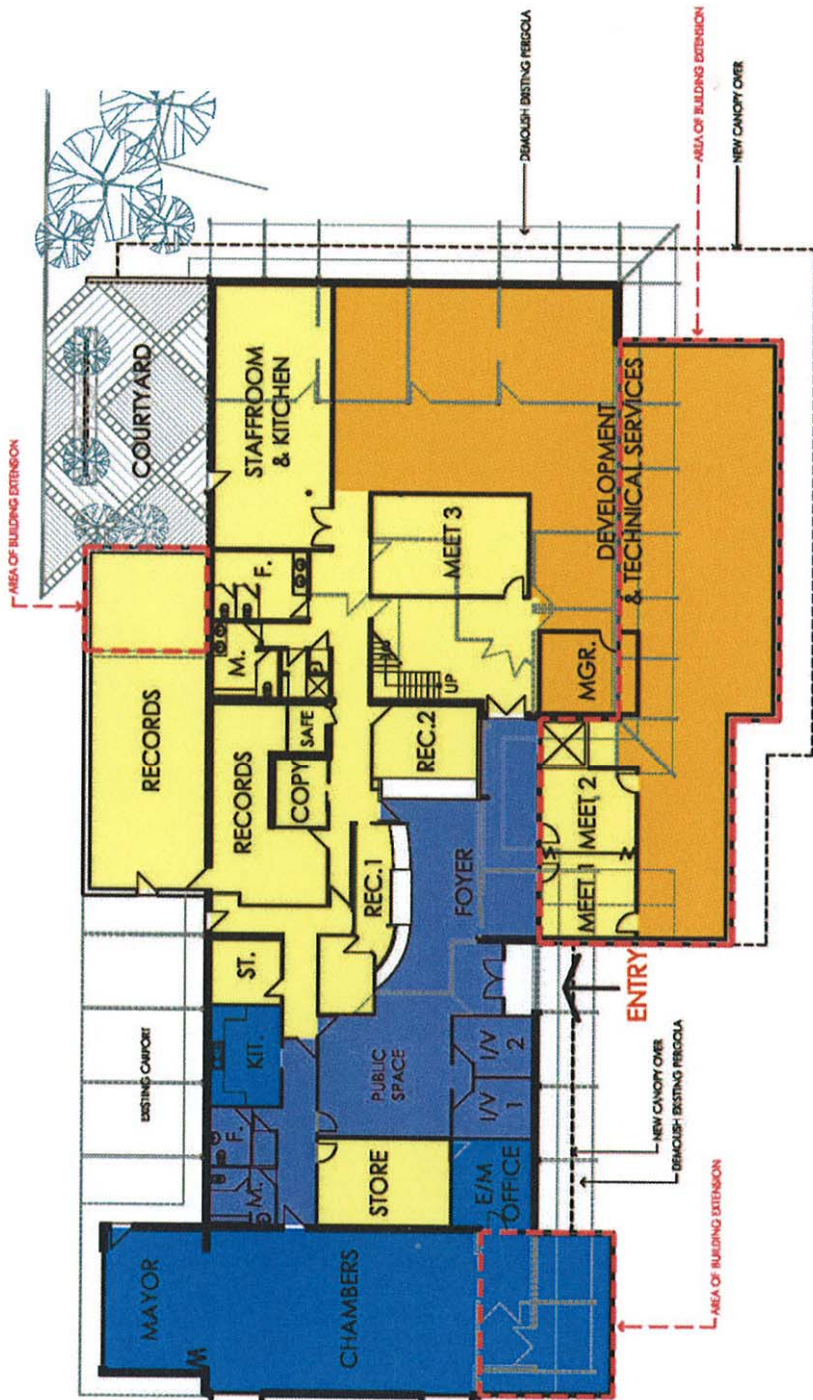
The design team is of the view that each of the proposed redevelopment options will enable the District Council of Mt Barker to provide a standard of service and working conditions which are considered reasonable in view of district's size and anticipated population growth.

APPENDIX I

Existing Building Drawings

APPENDIX II

Option One Master Plan



GROUND FLOOR PLAN 1:200@A3

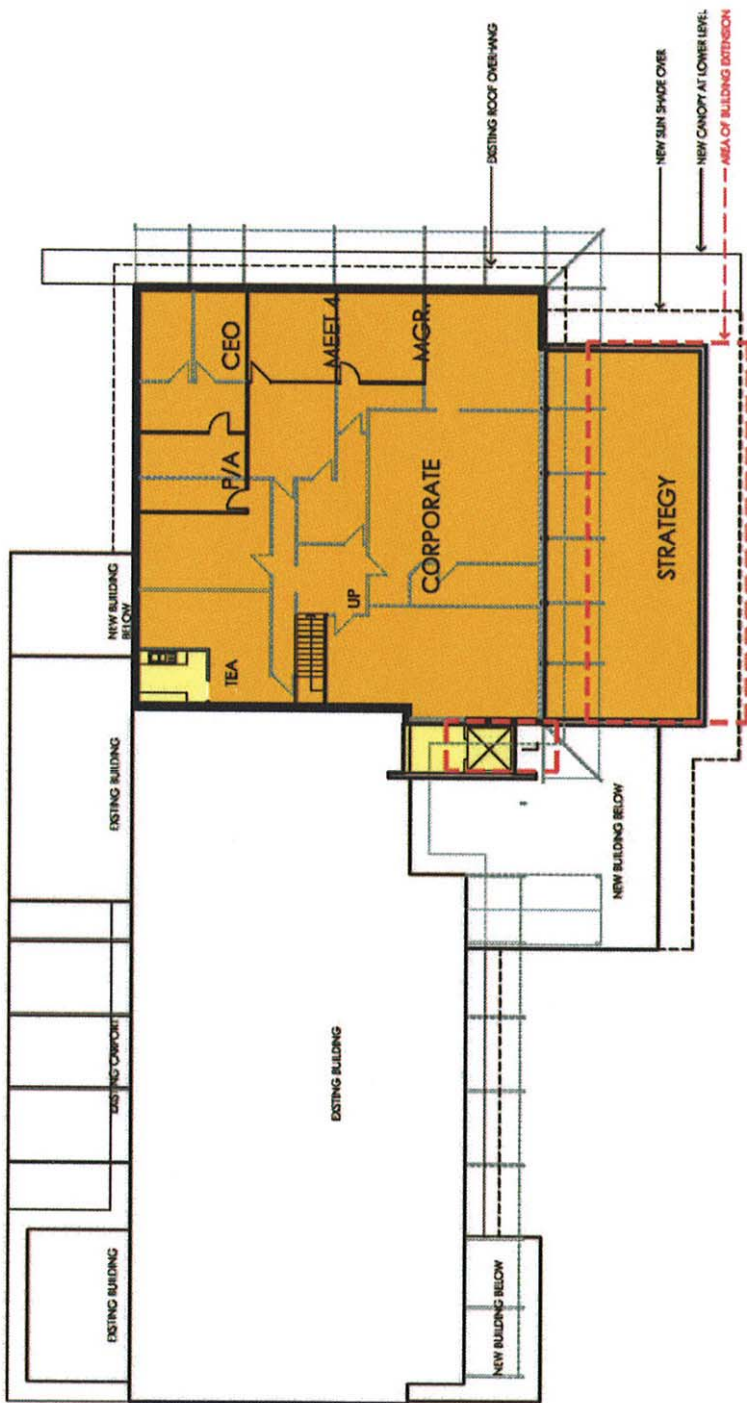
NOVEMBER 2004
30509 ST-01
HARLES SHARLEY



DISTRICT COUNCIL OF MOUNT BARKER CIVIC CENTRE

REDEVELOPMENT STAGE 1 - MASTER PLAN

SHORT TERM OPTION



FIRST FLOOR PLAN 1:200@A3

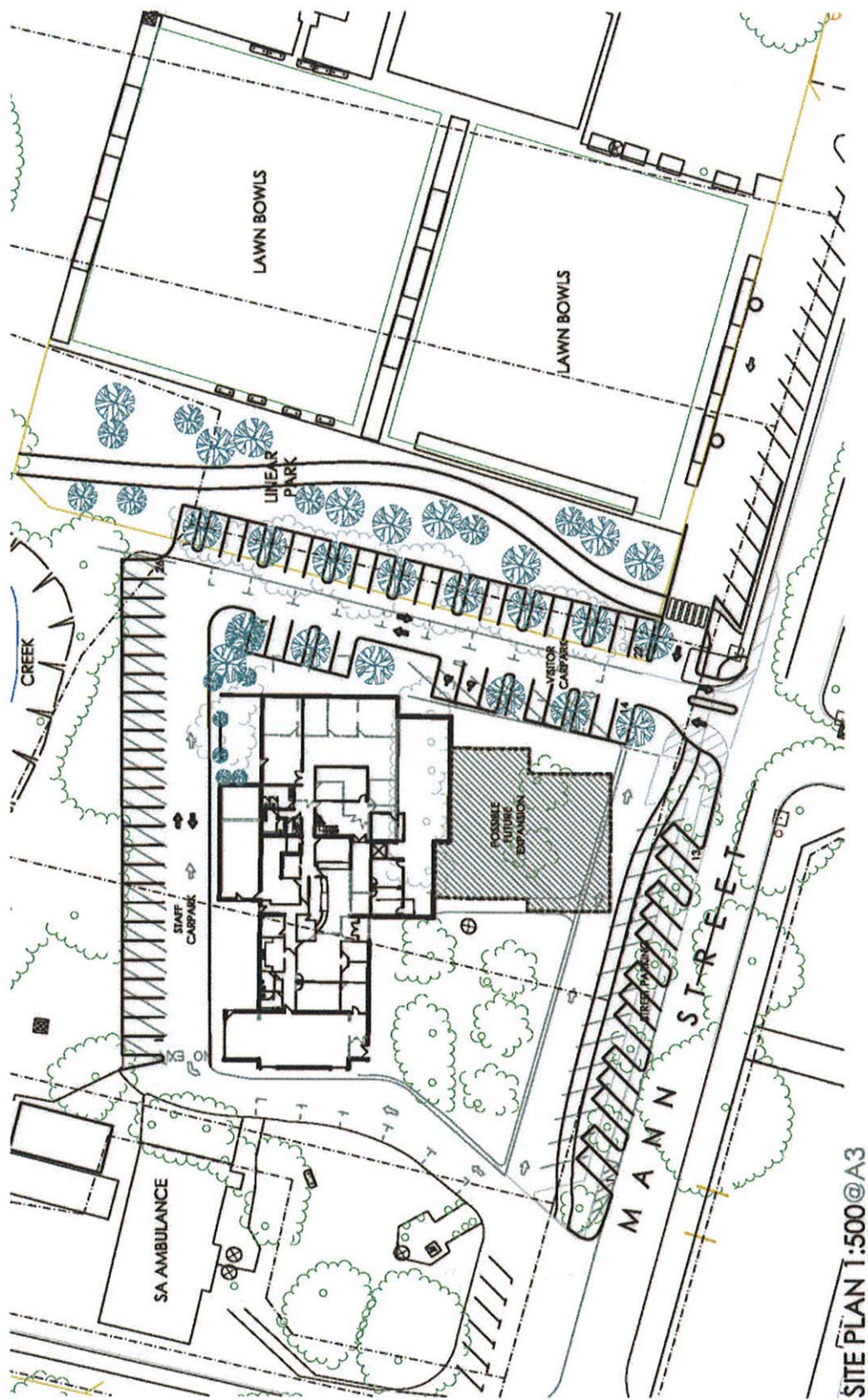
NOVEMBER 2004
30.509 ST-02
HAMES SHARLEY



DISTRICT COUNCIL of MOUNT BARKER CIVIC CENTRE

REDEVELOPMENT STAGE 1 - MASTER PLAN

SHORT TERM OPTION



SITE PLAN 1:500@A3

NOVEMBER 2004
30509 ST-05
JAMES SHARLEY



DISTRICT COUNCIL OF MOUNT BARKER CIVIC CENTRE

SHORT TERM OPTION

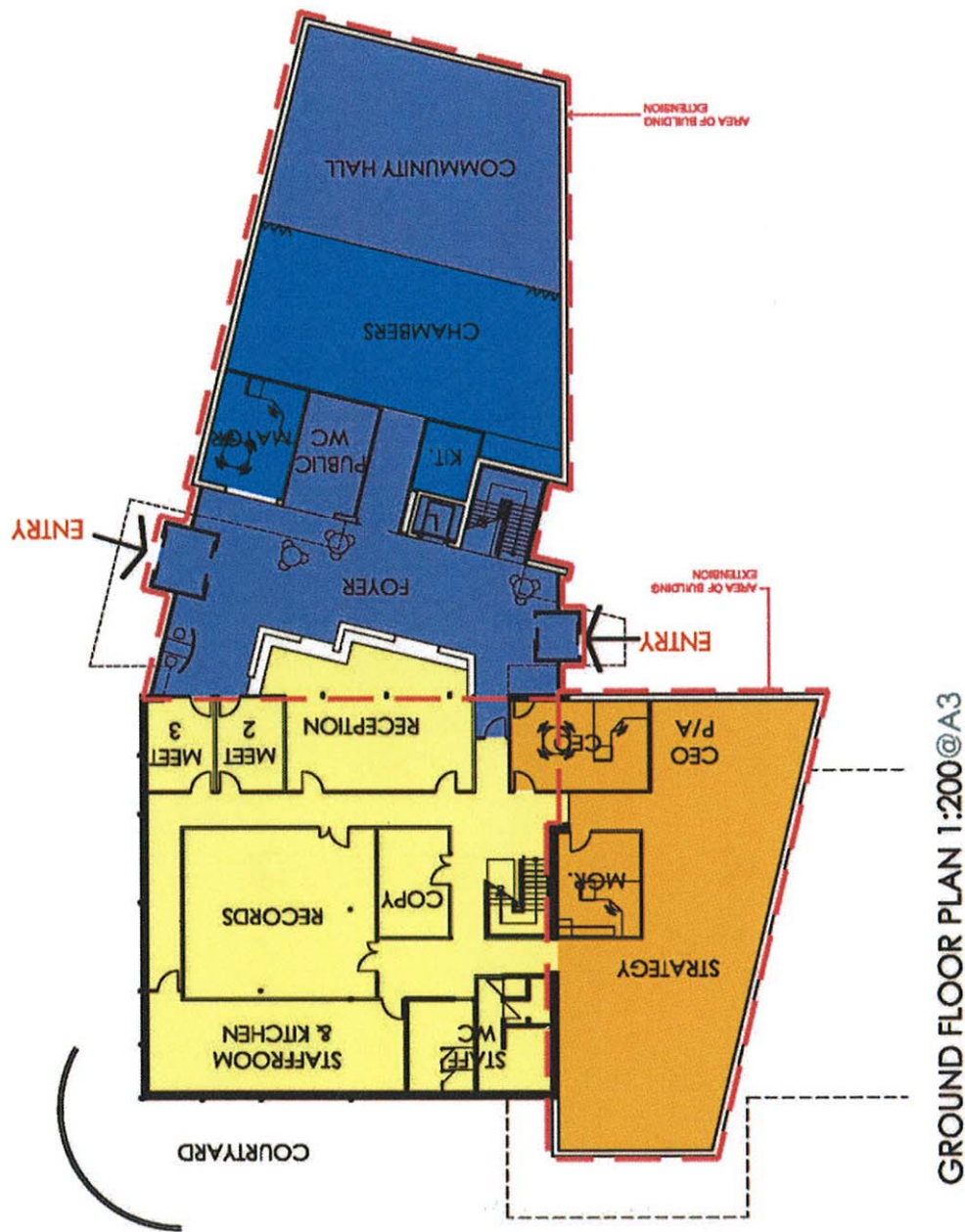
REDEVELOPMENT STAGE 1 - MASTER PLAN

MT BARKER CIVIC CENTRE EXTENSION – SHORT TERM OPTION

Zone	Level	GFA m ²	Cost/m ²	Total Cost
A	DEMOLITION			\$40,000
B	EXTENSION			
	B1 Ground Floor	275	2,400	660,000
	B2 First Floor	130	2,550	331,500
	B3 New Canopy / Sun Shading			125,000
	B4 Lift			110,000
		360	\$3,107	\$1,226,500
C	REFURBISHMENT			
	C1 Ground Floor	335	1,200	402,000
	C2 First Floor	335	1,200	402,000
		670	\$1,200	\$804,000
D	EXTERNAL WORKS			\$250,000
E	ETSA AUGMENTATION			Excl.
F	FURNITURE, FITTINGS, EQUIP.			Excl.
G	STAFF RELCATION / ACCOMMODATION			\$300,000
H	CONTINGENCIES			\$250,000
I	ESCALATION			Excl.
J	GOODS AND SERVICES TAXATION			Excl.
Total Cost				\$2,830,500

APPENDIX III

Option Two Master Plan



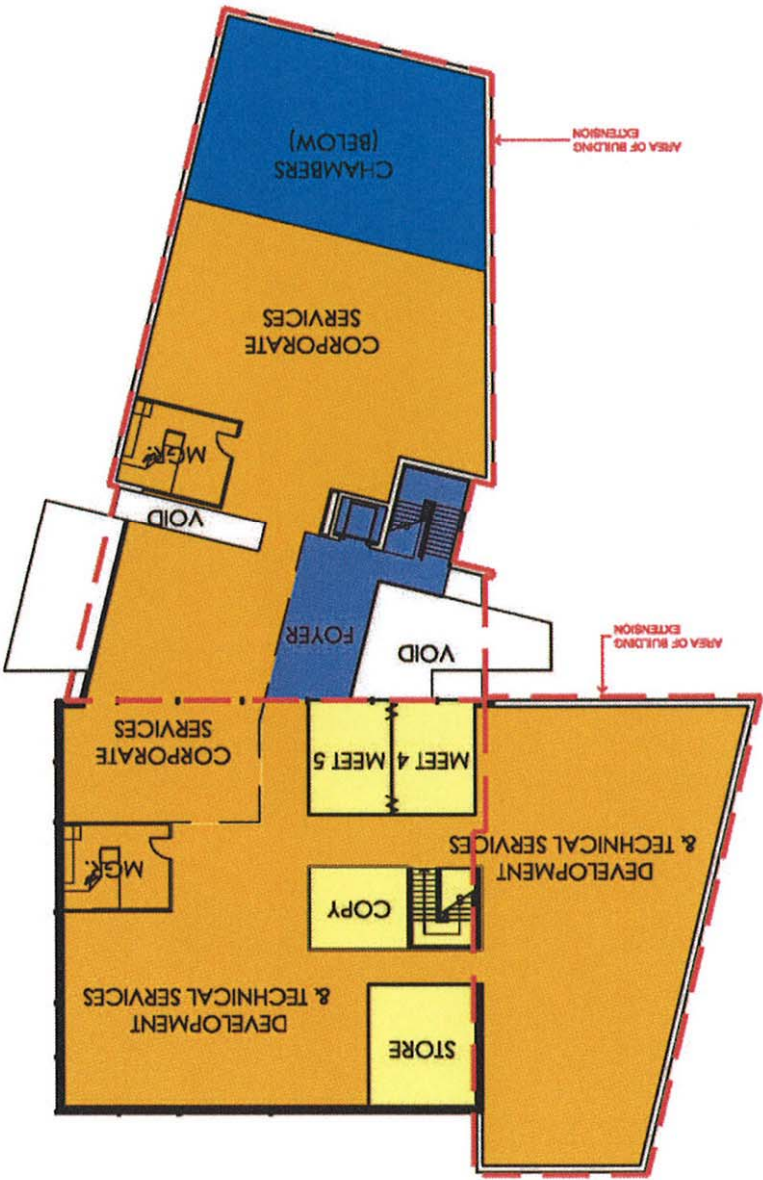
NOVEMBER 2004
30509
HAMES SHARLEY
LT-01



DISTRICT COUNCIL of MOUNT BARKER CIVIC CENTRE

LONG TERM OPTION

REDVELOPMENT STAGE 1 - MASTER PLAN



FIRST FLOOR PLAN 1:200@A3

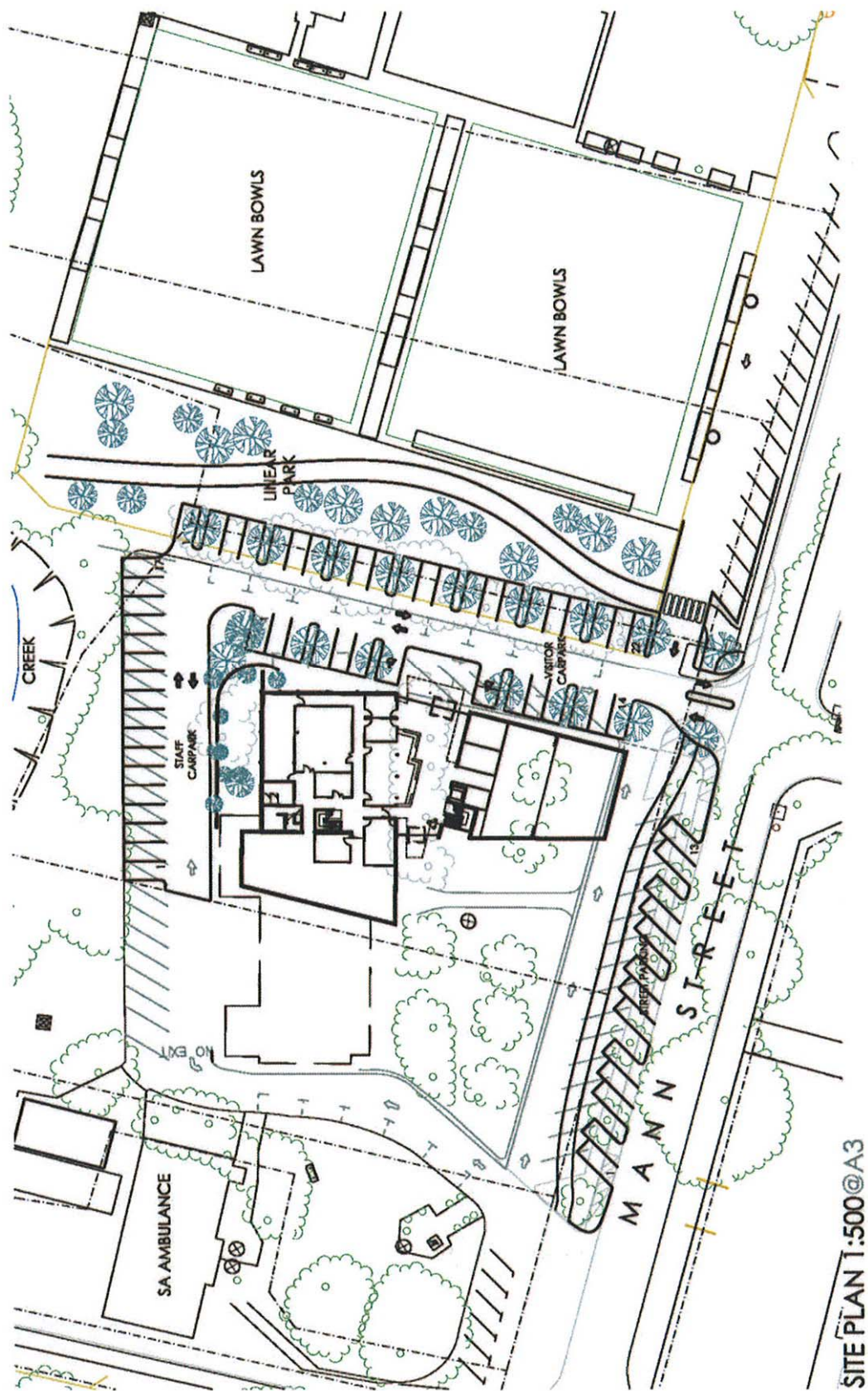


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30509
LT-02
HAMES SHARLEY

DISTRICT COUNCIL of MOUNT BARKER CIVIC CENTRE

REDVELOPMENT STAGE 1 - MASTER PLAN

LONG TERM OPTION



SITE PLAN 1:500@A3

NOVEMBER 2004
30509 LT-05
HAMES SHARLEY



DISTRICT COUNCIL of MOUNT BARKER CIVIC CENTRE

REDEVELOPMENT STAGE 1 - MASTER PLAN

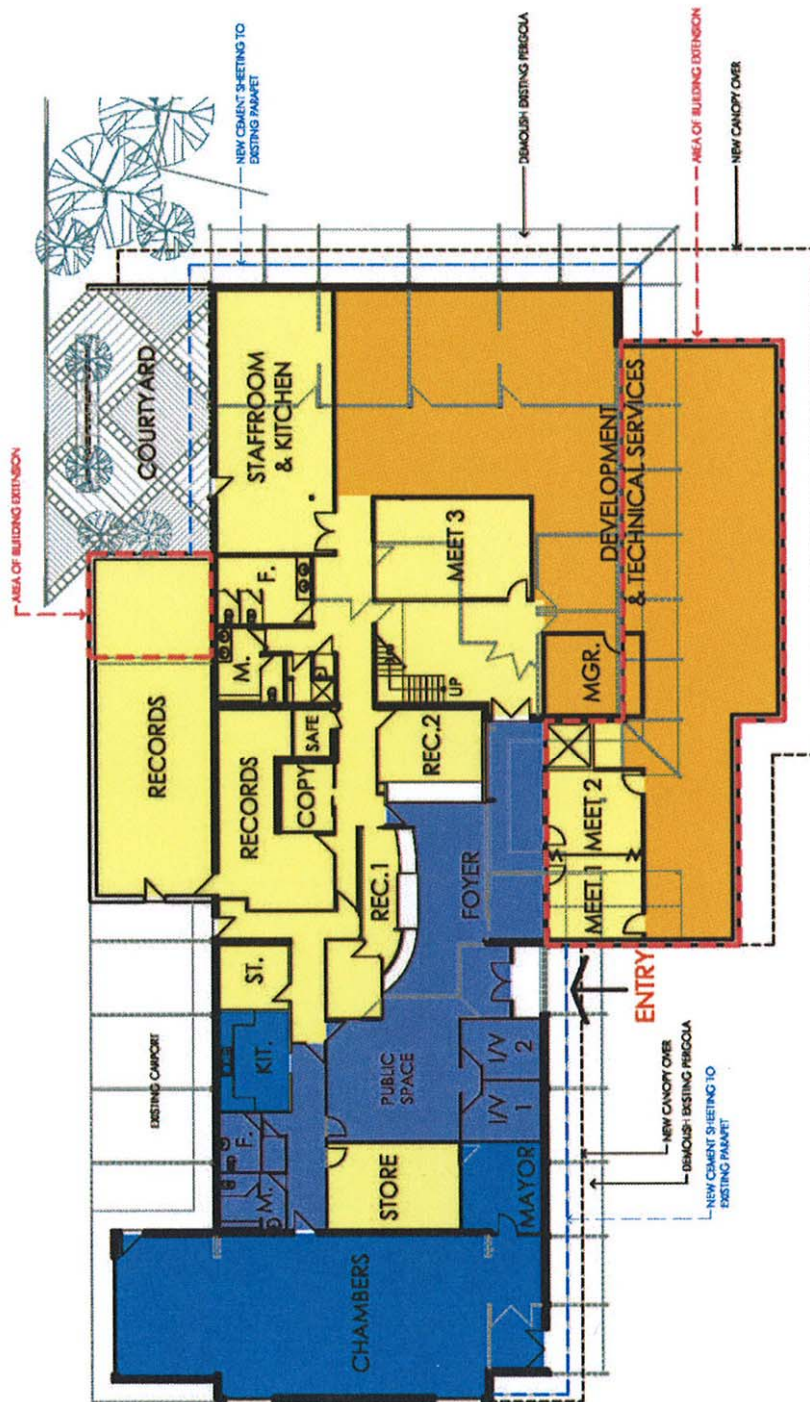
LONG TERM OPTION

MT BARKER CIVIC CENTRE EXTENSION – LONG TERM OPTION

Zone	Level	GFA m ²	Cost/m ²	Total Cost
A DEMOLITION				
				\$100,000
B EXTENSION				
B1	Ground Floor	640	2,400	1,536,000
B2	First Floor	640	2,550	1,632,000
B3	Canopies / Sun Shading			200,000
B4	Lift			110,000
		1,280	\$2,717	\$3,478,000
C REFURBISHMENT				
C1	Ground Floor	335	1,200	402,000
C2	First Floor	335	1,200	402,000
C3	Reclad Façade / Glazing			150,000
		670	\$1,424	\$954,000
D EXTERNAL WORKS				
E	ETSA AUGMENTATION			\$350,000
F	FURNITURE, FITTINGS, EQUIP.			Excl.
G	CONTINGENCIES			Excl.
H	STAFF RELOCATION (Excludes Temporary Accommodation)			\$375,000
				\$50,000
I	ESCALATION			Excl.
J	GOODS AND SERVICES TAXATION			Excl.
Total Cost				\$5,307,000

APPENDIX IV

Option Three Master Plan



GROUND FLOOR PLAN 1:200@A3

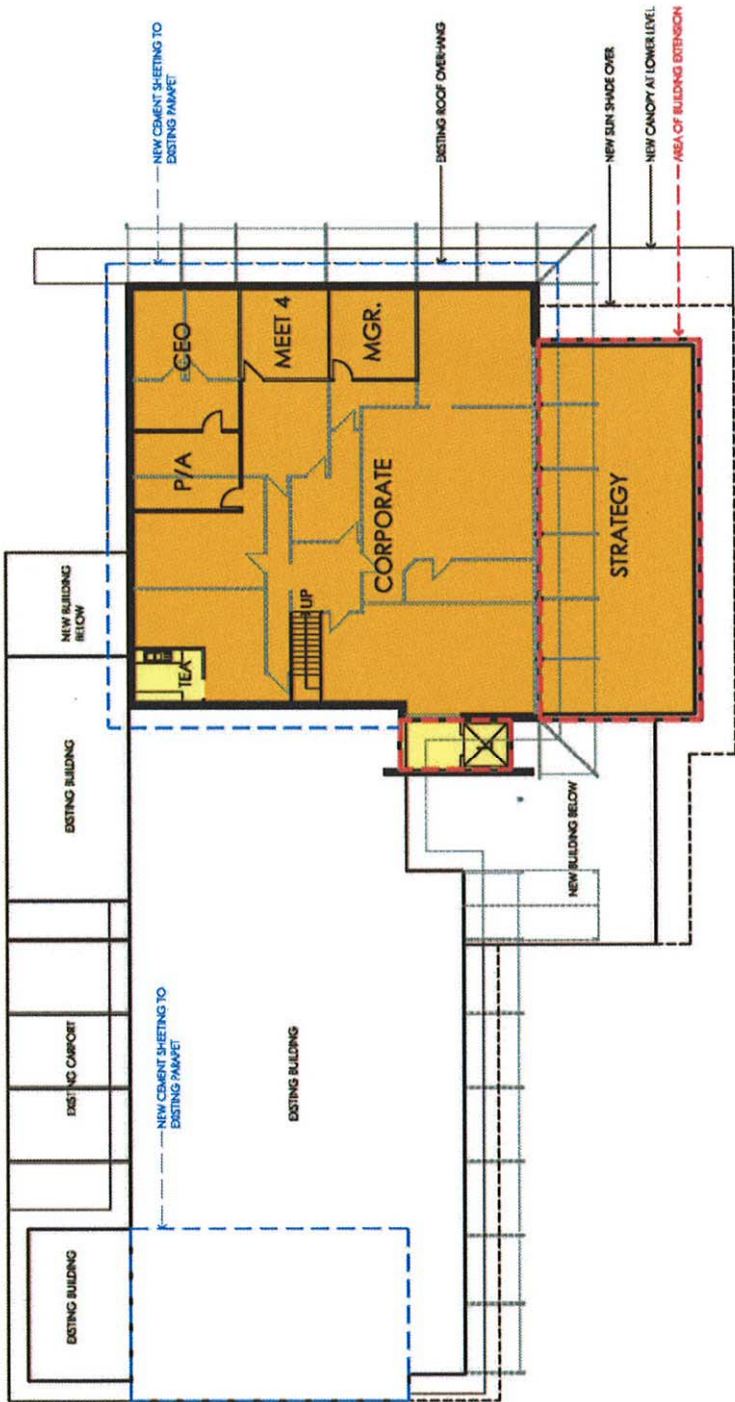
NOVEMBER 2004
30509 SO-01
HAMES SHARLEY



DISTRICT COUNCIL of MOUNT BARKER CIVIC CENTRE

REDEVELOPMENT STAGE 1 - MASTER PLAN

STAGED OPTION



FIRST FLOOR PLAN 1:200@A3

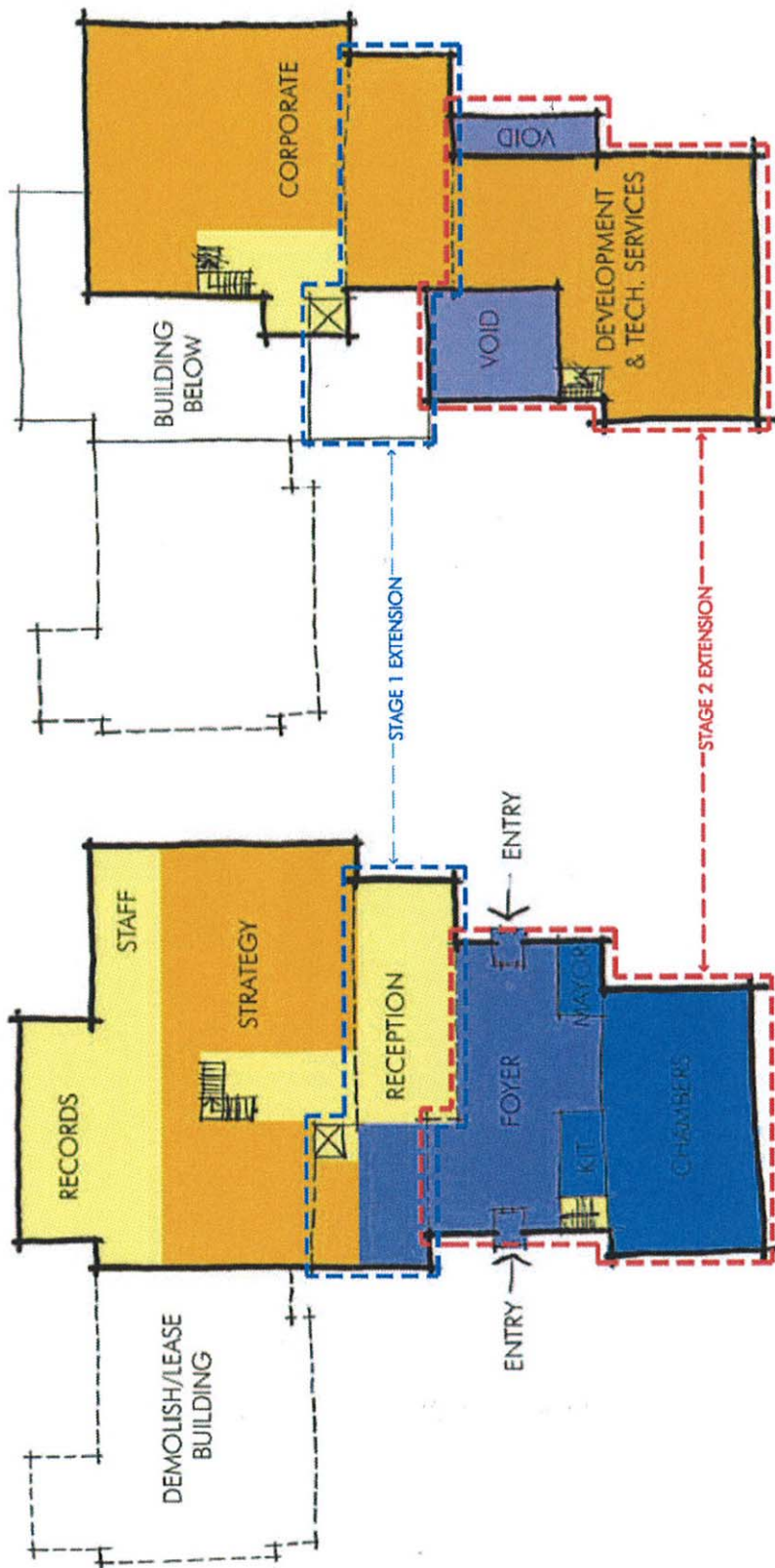
NOVEMBER 2004
30509 SO-02
HAMES SHARLEY



DISTRICT COUNCIL of MOUNT BARKER CIVIC CENTRE

REDEVELOPMENT STAGE 1 - MASTER PLAN

STAGED OPTION



FIRST FLOOR PLAN 1:300@A3

GROUND FLOOR PLAN 1:300@A3

NOVEMBER 2004
30509 SO-06
HAMES SHARLEY



DISTRICT COUNCIL OF MOUNT BARKER CIVIC CENTRE

STAGED OPTION - STAGE 2 EXPANSION

REDEVELOPMENT STAGE 1 - MASTER PLAN

MT BARKER CIVIC CENTRE EXTENSION – STAGED OPTION					SHORT TERM	LONG TERM
Zone	Level	GFA m ²	Cost/m ²	Total Cost		
A	DEMOLITION			\$40,000	\$40,000	\$100,000
B	EXTENSION					
	B1 Ground Floor	230	2,400	552,000		
	B2 First Floor	130	2,550	331,500		
	B3 New Canopy / Sun Shading			125,000		
	B4 Lift			110,000		
		360	\$3,107	\$1,118,500	\$1,226,500	\$3,478,000
C	REFURBISHMENT					
	C1 Ground Floor	335	1,200	402,000		
	C2 First Floor	335	1,200	402,000		
	C3 Reclad Facade / Glazing			300,000		
		670	\$1,648	\$1,104,000	\$804,000	\$954,000
D	EXTERNAL WORKS					
E	ETSA AUGMENTATION			\$250,000	\$250,000	\$350,000
F	FURNITURE, FITTINGS, EQUIP.			Excl.		
G	CONTINGENCIES			Excl.		
H	STAFF RELOCATION / ACCOMMODATION			\$300,000	\$300,000	\$375,000
I	ESCALATION			\$300,000	\$250,000	\$50,000
J	GOODS AND SERVICES TAXATION			Excl.		
				Excl.		
Total Cost				\$3,112,500	\$2,830,500	\$5,307,000

2.2 **REPORT TITLE: CONFIDENTIAL REPORTS**
DATE OF MEETING: 13 SEPTEMBER 2005
AUTHOR: ROS MCDOUGALL
AUTHOR'S TITLE: PERSONAL ASSISTANT TO THE CEO
REPRESENTORS:
FILE NUMBER: VARIOUS
ATTACHMENTS: NIL
DEPARTMENT: CHIEF EXECUTIVE'S OFFICE
DEPARTMENT
MANAGER:

PURPOSE

To provide a list of confidential reports in order to review the duration of the confidential order.

RECOMMENDATION

1. That pursuant to Section 90(2) and 90(3) of the Local Government Act 1999 the District Council of Mount Barker orders that the public be excluded from attendance at the meeting to consider in confidence:
 - (a) Information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead);
 - (b) Information regarding information the disclosure of which:
 - (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the Council; and
 - (ii) would on balance be contrary to public interest
- and
- (e) matters affecting the security of the Council, members or employees of the Council, or Council property, or the safety of any person;
 - (i) Information relating to actual litigation, or litigation that Council or Council committee believes on reasonable

grounds will take place, involving the Council or an employee of the Council

2. That the Chief Executive Officer, General Manager Strategy and Development, General Manager Assets and Infrastructure, Manager Organisational Development and the Minute Secretary be permitted to remain in the room.
3. That the items listed below have the confidentiality period altered or extinguished as indicated:

DATE OF CONFIDENTIAL ITEM	ITEM DISCUSSED	ORIGINAL DATE ITEM WILL BE HELD CONFIDENTIAL	DATE FOR AGENDA AND MINUTES TO BE EXTENDED TO OR RELEASED
23 July 2003	Cameron Road	4 August 2008	No change
4 Aug 2003	Dunn & Bickle Park	4 August 2005	All details to be released
1 Sep 2003	Callington Oval	1 September 2005	All details to be released
24 Sep 2003	Dunn & Bickle Park	23 September 2005	5 Sept 2006
20 Oct 2003	Carparking	20 October 2008	No change
1 Dec 2003	CEO's review	1 December 2005	All details be released
1 Dec 2003	Mt Barker Caravan Park	1 July 2005	All details be released
16 Feb 2004	Mt Barker Caravan Park	1 July 2005	All details be released
1 Mar 2004	Paech Road	1 July 2005	5 Sept 2006
1 Mar 2004	Hahndorf Resort	1 July 2005	All details be released
3 May 2004	Mt Barker Caravan Park	1 December 2005	5 Sept 2006
18 May 2004	Report Regarding Confidential Reports	1 July 2005	5 Sept 2006
7 June 2004	Remittance of Rates – Mrs Felton	7 July 2005	All details to be released
7 June 2004	Mt Barker Regional Town Centre Car Parking Fund	7 July 2005	All details to be released
7 June 2004	Mt Barker Regional Town Centre Urban Design and Car Parking Statement of Intent	7 July 2005	All details to be released
21 June 2004	Groundwater Assessment Report for Council Land located at Cameron Road Mt Barker	5 July 2005	5 Sept 2006
21 June 2004	Hahndorf Resort	5 July 2005	All details be released
6 September 2004	Mt Barker Regional Town Centre Car Parking & Urban Design PAR for	Until placed on interim operation	All details to be released

	Concurrent Consultation and Interim Operation		
6 September 2004	CEOs Review	16 December 2007	No change
11 October 2004	Future Landfill Options and Council's Continuing Involvement with Adelaide Hills Region Waste Management Authority	11 Oct 2005	5 Sept 2006
7 February 2005	Mt Barker Caravan Pk	2 Feb 2006	5 Sept 2006
7 February 2005	Mt Barker St John Centre	1 March 2006	All details to be released
17 May 2005	Carparking Within Township	11 May 2006	5 Sept 2006
20 June 2005	Mt Barker Caravan Pk	2 Feb 2006	5 Sept 2006

3. That the Council orders pursuant to Section 91(7), (8) and (9) of the Local Government Act 1999 that the discussion only relating to this item be kept confidential until 5 September 2006. released at 3 September 2007 meeting
4. That subject to Section 90 of the Local Government Act 1999 as amended, the public be readmitted to the meeting at the conclusion of the item.

BACKGROUND

Section 91 of the Local Government Act 1999 was reviewed in December 2002 and requires Council to review at least once in every year confidential orders that are for a period exceeding 12 months.

DISCUSSION

The table above indicates all confidential items from January 2003 until 30 July 2005. Only items during this period require reviewing. This provides an opportunity to reduce or extend the period of confidentiality.

Caravan Park Committee Meeting agenda financial details and Monarto Quarries Board agenda financial details are only kept confidential for 12 months.

POLICY IMPLICATIONS

1. **Financial/budget**
n/a

2. **Legal**

The Act requires a review of all confidential items with a time limit of greater than 12 months.

3. Staffing/Work Plans

This review does not affect staff work plans.

4. Environmental

n/a

5. Social

n/a

6. Strategic Plans

Goal 6 – Council will promote and conducts its core business in an ecologically sustainable, informative and accountable manner.

COMMUNITY CONSULTATION**1. Customer Needs Analysis**

n/a

2. Promotion/Communications

n/a