

AMENDED REPORT



Item No: 4.9
Title: Gosford Regional Library and Innovation Hub
Department: Connected Communities

9 December 2019 Ordinary Council Meeting

Trim Reference: F2019/00041-003 - D13717563

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Report Purpose

Council, at its ordinary meeting of 8 October, resolved the following;

987/19 *That Council reiterate its request to provide an update report to Councillors at the first meeting in December 2019 including a timeline to proceed with design, development application and anticipated commencement and completion of works.*

The purpose of this report is to respond to that resolution and provide appropriate updates.

Recommendation

- 1** *That Council direct the Chief Executive Officer to proceed to engage required consultants necessary for the development of full documentation suitable for statutory submissions and calling of construction tenders for the Regional Library.*
- 2** *That Council request the Chief Executive Officer provide a further report be submitted prior to the submission of Development Application.*
- 3** *That Council request the Chief Executive Officer to provide 12 months written notice to the current tenants of the Parkside building to provide vacant possession effective December 2020.*
- 4** *That Council approve \$1,115,000.00 from the current Gosford Cultural Precinct budget allocation 2019/20 to be repurposed for the design and Development Application stage of the Regional Library.*
- 5** *That Council resolve, for the purposes of s.11(3) of the Local Government Act 1993, that Attachment 2 is to be treated and remain as confidential because these documents contain information that would, if disclosed confer a commercial advantage on a person with whom Council is conducting (or proposing to conduct) business and because consideration of the matter in open Council would on*

balance be contrary to the public interest as it would affect Councils ability to obtain value for money services for the Central Coast community.

Context

Council, at its ordinary meeting of 25 September 2019, resolved the following;

- 922/19 *That Council notes the matters raised in the Gosford Cultural Precinct Audit workshop and the opportunity to review the business case for individual items included in the Concept.*
- 923/19 *That Council authorise the Chief Executive Officer to secure and formalise any current funding opportunities to deliver the Gosford Regional Library and deliver this important public infrastructure.*
- 924/19 *That Council notes that the need and urgency for the delivery of the Gosford Regional Library should not be held up by the Gosford Cultural Precinct review and that it should be pursued in isolation as a separate project.*
- 925/19 *That Council immediately review the two sites previously identified, being the sites known as "Parkside" and "Broadwater", for the most suitable site for the Gosford Regional Library.*
- 926/19 *That Council request the Chief Executive Officer withdraw from undertaking further work on the Gosford Cultural Precinct in its current form, including negotiations for the acquisition of land known as Lot 11 DP 746819 (which has a street address of 123B-125A Donnison Street, Gosford).*
- 927/19 *That Council request the Chief Executive Officer provide an update report to Councillors at the first meeting in December 2019 on the preferred site for the Gosford Regional Library (between Parkside and the Broadwater), including a timeline to proceed with design, development application and anticipated commencement and completion of works (subject to an approved DA).*
- 928/19 *That Council meet relevant stakeholders to discuss developments within six weeks.*

Subsequently an urgency motion was tabled at the Ordinary Meeting of Council on 8 October 2019 which concluded that the site at 123A Donnison Street, Gosford 'Parkside' would be the preferred Regional Library & Innovation Hub site.

- 984/19 *That Council approve the preferred site location for the Regional Library & Innovation Hub as the Parkside building (Lot 100 Deposited Plan 711850) Located at 123A Donnison Street, Gosford*

Current status

Updates related to the broader Gosford Cultural Precinct project will be addressed under a separate report which has been prepared by Economic Development and Project Delivery Unit. It details information relating to tenders and the purchase of land and is being tabled at the 9 December 2019 Ordinary Council Meeting.

This report will focus on the progress on Gosford Regional Library as a separate project as resolved by Council on 25 September 2019; Council Resolution:

924/19 That Council notes that the need and urgency for the delivery of the Gosford Regional Library should not be held up by the Gosford Cultural Precinct review and that it should be pursued in isolation as a separate project.

An update on the current status is provided below:

- Timelines have been developed for the project that indicate Development Application (DA) will be lodged in June 2020 and anticipated commencement dates for construction in February/March 2021 and completion in October 2023.
- Council officers have met with stakeholders relating to Gosford Cultural Precinct, including RPACC Working Group and tenants of Parkside building.
- Council officers are liaising with funding body to finalise funding agreement.

Council officers have commenced the process to seek tenders for a new all-encompassing design. This will reduce risks and ensure a full consultancy package with separable portions covering DA design, tender design and construction design which allows for construction support. Tenders are expected to be reported back to Council in February 2020.

The project timelines (outlined in Attachment 1) detail design phases to commence in February 2020. The design phase will include production of drawings and documents to enable submission of both DA and Construction Certificate (CC) necessary to obtain Statutory Approvals. The DA is scheduled to be submitted in June 2020 and a report will come back to Council prior to DA submission.

The project timeline reflects a commencement for demolition and construction works in February 2021 with overall completion of the project in October 2023.

The demolition date has been extended out as a result of recent consultation with stakeholders. Council officers met with the current tenants of Parkside building to provide an update on the project and discuss future accommodation needs for the tenants.

The current tenants have no current lease or tenure which poses concerns for them around certainty of their ability to continue to operate and plan for the future. Due to the nature of their businesses, the possibility of having to vacate the site mid-year would cause significant disruption to the stability of students in a school environment and to the essential services they provide to the community. Given this information a modification has been made to the timeline to allow for the tenants to maintain occupancy until the end of the school year in 2020.

At the time of writing this report Council staff are working with the Department of Infrastructure, Transport, Cities and Regional Development to finalise the funding agreement to secure \$7 million Federal funding for this project. It is anticipated that the agreement will be signed in the next week.

A two-tier governance model and gateway approval process has been implemented to allow for hold points at certain stages throughout the project. At a minimum these will be at DA lodgement, award tender for construction and prior to commencement of construction; demolition and excavation. These gateways will allow for Council to be consulted and endorsement sought to proceed prior to commencing each stage.

A Project Control Group comprising of key Executive within Council who hold the relevant level of authority to act and who understand and support the project goals, has been formed. They will oversee the various phases of the project, ensuring risks are addressed and providing guidance, direction and report back to Council on progress and financial status.

A Project Working Group has also been established from key representatives across Council. This will ensure collaboration across all aspects of the project, identifying risks and ensuring works are completed on time and in scope.

In addition, an External Advisor will be appointed to observe, review and provide guidance to Council on the framework and/or processes as required for this project.

At the Councillor briefing on 18 September 2019, an Infrastructure Governance Gateway model was presented. This governance model will be implemented for this project and will support its effective development, planning, management and delivery. It gives an independent perspective, challenges plans and processes, and identifies issues and risks. Gateways will be set for different phases of the project where Council will be consulted for decisions at certain stages being; DA lodgement, award tender for construction and prior to commencement of construction; demolition and excavation.

A risk workshop has been conducted to document all associated risks with the project and identify control measures. This will be an ongoing process throughout the stages of the project using a structured and formal methodology.

Council recently received a proposal from a third-party entity wanting to discuss potential of the Regional Library being located within their development in the Gosford CBD. Draft concept plans have been provided as per Confidential Attachment 2. Indicative completion time of 2021 has been provided and it is proposed that Council would have a long-term lease agreement for the facility in lieu of capital contribution. At this stage, no further information is available. It is important to note that this option would not be permissible from a Federal funding option and whilst would reduce capital outlay, would also mean Council would not own this important piece of public infrastructure.

Consultation

In accordance with the resolution regarding stakeholder consultation from 25 September 2019;

928/19 *That Council meet relevant stakeholders to discuss developments within six weeks.*

Council officers are meeting with the RPACC working group on December 2, 2019 to provide an update on the Gosford Cultural Precinct and recent resolutions relating to this project.

With regards to the stakeholders for the Gosford Regional Library and Innovation Hub, Council officers held a meeting with tenants of Parkside building on 22 October and subsequent dates thereafter. The purpose of the meetings was to provide an update on the project and to discuss timelines for the commencement of works at 123A Donnison Street Gosford. Options for future sites for the continued operations of these services was discussed. Council officers will continue to liaise with these stakeholders to explore opportunities for alternate accommodation and provide further information and updates as required.

A working group has been established for the project comprising of a cross section of Council officers from across the organisation. This representative group will be used to collaborate on specific tasks and activities related to the project and resolve issues that do not need to be escalated to the Project Control Group.

Options

- 1 That Council proceed with Gosford Regional Library and Innovation Hub project as this will provide the community with important public infrastructure and meet the commitment for funding from the Federal Government and collected Special Rate Levy monies. This option is recommended.
- 2 Not to proceed with Gosford Regional Library and Innovation Hub project will result in a high need community asset not being delivered to the community after Special Rate Levy has been collected for this purpose and the return of Federal funding. Not Recommended.

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- 3 That Council further explore opportunities around third party proposal to co-locate a library within a facility in the Gosford CBD. Staff are concerned this would further delay the library project, require Council to not accept the funding agreement and potentially need to reallocate/redistribute collected rates. As broader project has confirmed funding and programme, this option is not recommended.

Financial Impact

Council has previously approved a budget of \$12,126,868 for the Gosford Cultural Precinct for 2019/2020. This report is requesting an allocation from that budget of \$1,115,000 until 30 June 2020. Further estimates and costings will be done as part of the 2020/2021 budget process.

Funding sources currently available for this project are outlined in table 1 below:

Table 1: Funding Sources

Current Funding Type	Amount
Library – Council Special Rate Variation	\$8,100,000
Library – Federal Government Commitment	\$7,000,000
Sale Proceeds – 136-146 Donnison Street, Gosford ('Kibbleplex' building)	\$12,600,000
Total	\$27,700,000

Note – current cost estimates relate to a concept design undertaken 18 months ago that will require updating and further cost analysis.

Link to Community Strategic Plan

Theme 5: Liveable

Goal L: Healthy lifestyle for a growing community

L-L3: Cultivate a love of learning and knowledge by providing facilities to support lifelong learning.

Risk Management

Two tiers of governance have been established to manage the risks associated with this project. This allows for clear accountabilities, responsibilities and reporting lines for the process.

The current cost estimates have been based on a concept design and are 18 months old. True project costs will not be realised until the detailed design and Quantity Surveyor (QS) report is completed. These figures will be available in May/June 2020 prior to lodgement of DA.

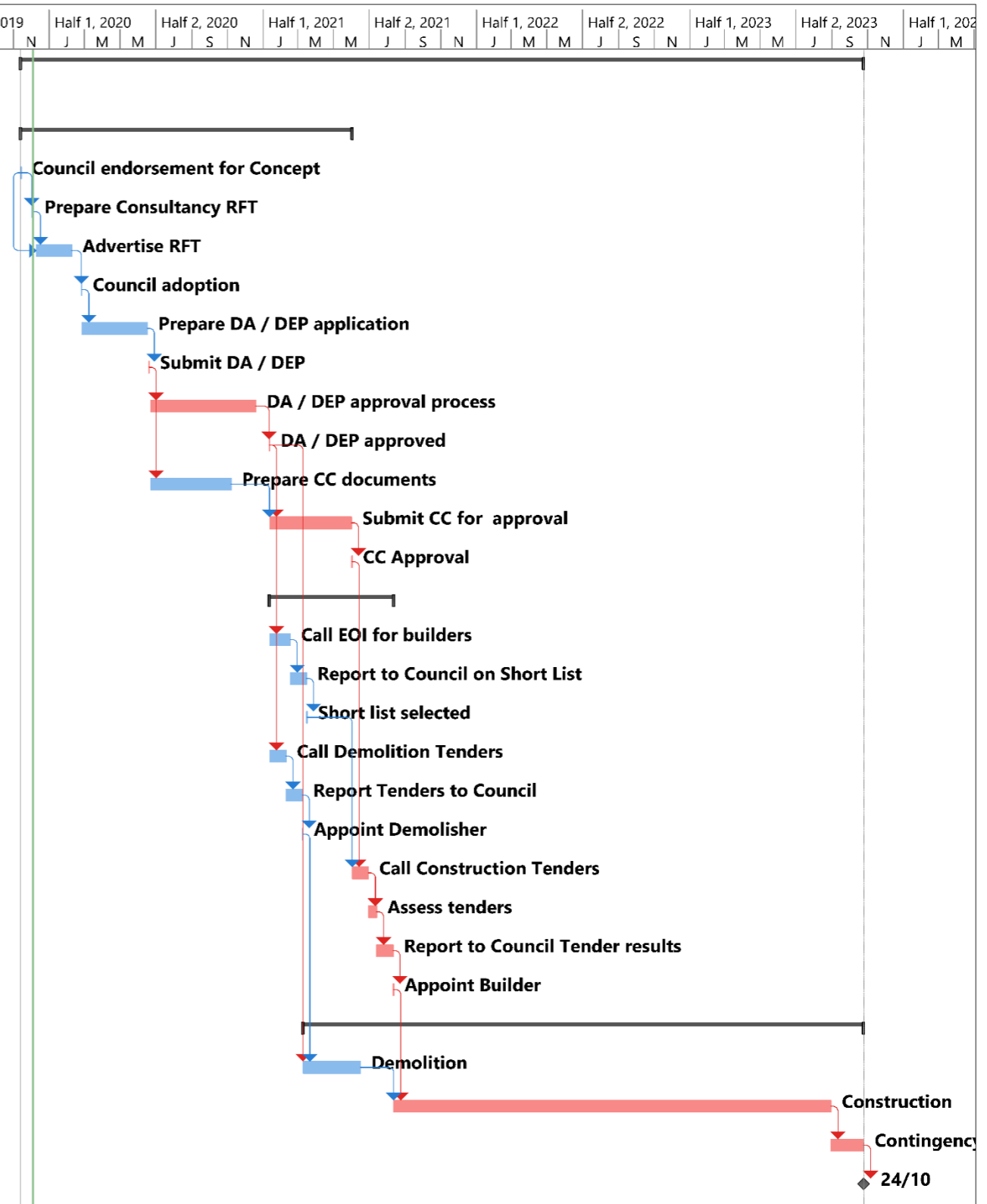
Critical Dates or Timeframes

In order to comply with the requirements of the Federal Grant Funding, it is imperative that Council proceed with the submission of a Development Application for the Gosford Regional Library and tender the Design and Construction contract immediately.

Attachments

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| 1 | Project Timeline - Gosford Regional Library | D13738233 |
| 2 | CONFIDENTIAL - Third Party Proposal - Gosford Regional Library | D13734431 |

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors	Successors	Calendar																											
								2019	Half 1, 2020			Half 2, 2020			Half 1, 2021			Half 2, 2021			Half 1, 2022			Half 2, 2022			Half 1, 2023			Half 2, 2023			Half 1, 2024		
								S	N	J	M	M	J	S	N	J	M	M	J	S	N	J	M	M	J	S	N	J	M	M	J	S	N	J	M
1		GOSFORD REGIONAL LIBRARY 28.11.19	980 days?	Wed 13/11/19	Tue 24/10/23																														
2		DESIGN	390 days	Wed 13/11/19	Tue 1/06/21																														
3		Council endorsement for Concept	1 day	Wed 13/11/19	Wed 13/11/19		4FS+																												
4		Prepare Consultancy RFT	3 days	Mon 2/12/19	Wed 4/12/19		3FS+7 d5																												
5		Advertise RFT	44 days	Tue 10/12/19	Fri 7/02/20		3SS+10 6																												
6		Council adoption	1 day	Tue 25/02/20	Tue 25/02/20		5 7																												
7		Prepare DA / DEP application	80 days	Wed 26/02/20	Tue 16/06/20		6 8																												
8		Submit DA / DEP	1 day	Fri 19/06/20	Fri 19/06/20		7 9,11																												
9		DA / DEP approval process	130 days	Mon 22/06/20	Fri 18/12/20		8 10																												
10		DA / DEP approved	1 day	Mon 11/01/21	Mon 11/01/21		9 12,1																												
11		Prepare CC documents	100 days	Mon 22/06/20	Fri 6/11/20		8 12																												
12		Submit CC for approval	100 days	Tue 12/01/21	Mon 31/05/21		10,11 13																												
13		CC Approval	1 day	Tue 1/06/21	Tue 1/06/21		12 21																												
14		TENDER	152 days?	Tue 12/01/21	Wed 11/08/21																														
15		Call EOI for builders	25 days	Tue 12/01/21	Mon 15/02/21		10 16																												
16		Report to Council on Short List	20 days	Tue 16/02/21	Mon 15/03/21		15 17																												
17		Short list selected	1 day?	Tue 16/03/21	Tue 16/03/21		16 21																												
18		Call Demolition Tenders	20 days	Tue 12/01/21	Mon 8/02/21		10 19																												
19		Report Tenders to Council	20 days	Tue 9/02/21	Mon 8/03/21		18 20																												
20		Appoint Demolisher	1 day	Tue 9/03/21	Tue 9/03/21		19 26																												
21		Call Construction Tenders	20 days	Wed 2/06/21	Tue 29/06/21		13,17 22																												
22		Assess tenders	10 days	Wed 30/06/21	Tue 13/07/21		21 23																												
23		Report to Council Tender results	20 days	Wed 14/07/21	Tue 10/08/21		22 24																												
24		Appoint Builder	1 day?	Wed 11/08/21	Wed 11/08/21		23 27																												
25		CONSTRUCTION	650 days	Wed 10/03/21	Tue 24/10/23																														
26		Demolition	70 days	Wed 10/03/21	Tue 15/06/21		10,20 27																												
27		Construction	499 days	Thu 12/08/21	Tue 29/08/23		26,24 28																												
28		Contingency	40 days	Wed 30/08/23	Tue 24/10/23		27 29																												
29		Completion	0 days	Tue 24/10/23	Tue 24/10/23		28																												



Project: Programme 13.11.19
Date: Wed 4/12/19

Task		Inactive Task		Manual Summary Rollup		External Milestone		Manual Progress	
Split		Inactive Milestone		Manual Summary		Deadline			
Milestone		Inactive Summary		Start-only		Critical			
Summary		Manual Task		Finish-only		Critical Split			
Project Summary		Duration-only		External Tasks		Progress			