

12 November 2013

Memo To: Mayor and Councillors

Memo From: Administration Advisers

**Subject: COUNCIL – 12 NOVEMBER 2013  
LATE ITEM 1**

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## 1. Chief Executive's Report

Document 1633452

A report titled Chief Executive's Report is attached to be considered as a major late item at this meeting. This report was listed as item 11 on the public agenda for the Council meeting on 12 November 2013 to ensure elected members were aware that it would be presented to this meeting.

Section 46A(1)-(6) of the Local Government Official Information and Meetings Act 1987 and Standing Order 2.15.8 require that agendas are distributed with the associated reports. As this report was not distributed with the agenda for this meeting, it must be treated as a major late item to be considered at this meeting.

In accordance with section 46A(7) of the Local Government Official Information and Meetings Act 1987 and Standing Order 3.7.5, a procedural resolution is required before a major item that is not on the agenda for the meeting may be dealt with.

In accordance with section 46A(7)(b)(i) the reason why the item was not on the agenda is because it came to hand after the agenda had been distributed.

In accordance with section 46A(7)(b)(ii) the reason why discussion of this item cannot be delayed until a subsequent meeting is because a resolution on the matter is required before the next scheduled meeting of the Council because it relates to a project currently being implemented that needs a Council decision in order to continue.

Recommendation

***THAT the item regarding Chief Executive's Report be considered at this meeting as a major item not on the agenda, pursuant to Section 46A(7)(a) of the Local Government Official Information and Meetings Act 1987, because it relates to a project currently being implemented that needs a Council decision in order to continue.***

## **2. Release of Information from Public Excluded – Strategic Land Purchases**

A public excluded report titled Release of Information from Public Excluded – Strategic Land Purchases is to be considered as a major late item at this meeting.

In accordance with section 46A(7) of the Local Government Official Information and Meetings Act 1987 and Standing Order 3.7.5, a procedural resolution is required before a major item that is not on the agenda for the meeting may be dealt with.

In accordance with section 46A(7)(b)(i) the reason why the item was not on the agenda is because it came to hand after the agenda had been distributed.

In accordance with section 46A(7)(b)(ii) the reason why discussion of this item cannot be delayed until a subsequent meeting is because a resolution on the matter is required before the next scheduled meeting of the Council to enable officers to respond to a request made under the Official Information Act 1982.

Recommendation

***THAT the public excluded item regarding Release of Information from Public Excluded – Strategic Land Purchase be considered at this meeting as a major item not on the agenda, pursuant to Section 46A(7)(a) of the Local Government Official Information and Meetings Act 1987, to enable officers to respond to a request made under the Official Information Act 1982.***

## **3. Chief Executive's Report – Lewis Stanton**

A public excluded report titled Chief Executive's Report – Lewis Stanton is to be considered as a major late item at this meeting.

In accordance with section 46A(7) of the Local Government Official Information and Meetings Act 1987 and Standing Order 3.7.5, a procedural resolution is required before a major item that is not on the agenda for the meeting may be dealt with.

In accordance with section 46A(7)(b)(i) the reason why the item was not on the agenda is because it came to hand after the agenda had been distributed.

In accordance with section 46A(7)(b)(ii) the reason why discussion of this item cannot be delayed until a subsequent meeting is because a resolution on the matter is required before the next scheduled meeting of the Council to enable councillors to be fully briefed in a timely manner.

Recommendation

***THAT the public excluded item regarding Chief Executive's Report – Lewis Stanton be considered at this meeting as a major item not on the agenda, pursuant to Section 46A(7)(a) of the Local Government Official Information and Meetings Act 1987, to enable councillors to be fully briefed in a timely manner.***

**PUBLIC EXCLUDED BUSINESS**

**4. Exclusion of the Public**

Recommendation

***THAT the public be excluded from the following parts of the proceedings of this meeting.***

***The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:***

General subject of the matter to be considered	Reason for passing this resolution in relation to the matter	Particular interests protected (where applicable)
<p><b>Release of Information from Public Excluded – Strategic Land Purchase</b></p> <p>This report contains information regarding the purchase of land.</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> <li>• Section 7(2)(h) To carry out commercial activities</li> <li>• Section 7(2)(i) To carry out negotiations</li> </ul>
<p><b>Chief Executive's Report – Lewis Stanton</b></p> <p>This report contains information relating to the position of an individual with matters pending before the court.</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> <li>• Section 7(2)(a) To protect the privacy of natural persons</li> </ul>

## Chief Executive's Report

### Various issues – Modellers Pond; Buxton Toilet upgrade and Bata Building demolition

#### 1. Purpose of Report

1.1 The Mayor requested a briefing for councillors on the following items:

- Modellers Pond;
- Buxton toilet upgrade;
- Bata Building demolition.

#### 2. Recommendation

***THAT the Chief Executive's Report - Various issues - Modellers Pond; Buxton Toilet upgrade and Bata Building demolition (1633452) and its attachments 1633611, 1482467, 1633231, and 1617997 be received;***

***AND THAT the motorcycle parking issue as it relates to the Buxton toilet upgrade be referred to the upcoming 28 November 2013 Works and Infrastructure Committee for deliberation;***

***AND THAT in light of public interest in the Bata building, the proposed demolition and conversion to carparking be discussed at the upcoming 28 November 2013 Works and Infrastructure Committee with the matter coming back to 12 December 2013 Council meeting for a decision.***

#### 3. Modellers Pond

3.1 An upgrade of the Tahunanui modeller's pond was proposed in the 2013/14 financial year with funding of \$460,000.

3.2 As officers explored options to upgrade the pond, complex issues arose around potential solutions.

- 3.3 An update summary was provided to Councillors on 26 June 2013 and again on 2 August 2013 (refer to Attachment 1). These highlight the complexity of the issues.
- 3.4 Securing the consent to dose chemicals was delayed when the independent commissioner requested additional information specifically relating to concerns surrounding the rare species the "Back Beach Beetle". Officers have collated the additional information from the supplier and have had this independently reviewed by Cawthron and this was sent to the Commissioner on Friday 8 November 2013. Officers are waiting to hear back from the Commissioner.
- 3.5 An update was sent to Her Worship the Mayor on 31 October 2013 where it was noted that:

"The idea to dose the ponds with the chemicals is still the preferred solution before we do anything out there, but securing the resource consent to use the chemicals has taken a lot longer than anticipated since the commissioner assigned to the consent has sought additional information that we also needed to get independently reviewed. The issue relates to the effect on the Back Beach Beetle (a rare species). It is hoped that the commissioner will receive the information next week.

So, still hopeful that we will secure the consent so we can commence dosing. As a back-up (and will need to make the call soon) I have requested a price from NelMAC to give the pond a thorough manual clean-out. I am well aware of the growing sentiment in the community.

Either way I will make sure that the pond is looking ok for the holiday period - be that chemical dosing or a good clean out".

- 3.6 It is confirmed that work on manually cleaning the pond will commence around 20 November 2013 and it is hopeful that the consent to dose chemicals will be in place by then to commence the maintenance regime.
- 3.7 In summary, if the dosing works, Council will have a pond that can be kept clean all year round and enjoyed by the community. If this does not work, any potential workable solution could well cost in excess of \$1.2 Million.
- 3.8 Deepening the pond (which has been raised separately) comes with a very expensive price tag.

#### **4. Buxton Toilet Upgrade**

- 4.1 Following a report to Council on 4 June 2013 (refer to Attachment 2), Council resolved as follows:

*THAT Creative Communities be engaged to upgrade the Buxton Toilet at a cost of \$75,000 including the director's fee of \$9,750;*

*AND THAT the brief for Creative Communities includes that all work complies with the Building Regulations and addresses identified CPTED (Crime prevention through environmental design) issues.*

- 4.2 Substantial work has gone into this project from Council officers, Councillor Kate Fulton and volunteers. This was meant to be a "hands off" approach from officers but has in fact taken up an extraordinary amount of time from officers – if not more than the conventional approach.
- 4.3 Several working sessions have been held on site with volunteers, and the toilets are currently out of commission.
- 4.4 The works require a building consent and officers are looking at ways of securing this.
- 4.5 Officers will now take a more hands on approach to ensure that the following works are undertaken with urgency:
- 4.5.1 Stage 1- Including:
- The installation of new toilets, hand basins and other hardware to ensure that the toilets can be re-opened promptly;
  - Two separate disabled toilets to be created, and made available 24/7;
  - Gates on the main facilities to be created and installed by volunteers.
- 4.5.2 Stage 2 - Guidance required from 12 November 2013 Council meeting on the issue of benches and painting the front of the building.
- 4.5.3 Stage 3 – The issue of the motorcycle parking/leisure area out the front to be considered at the 28 November 2013 Works and Infrastructure Committee.
- 4.6 Refer to Attachment 3 for the latest concept plan.
- 4.7 It is expected that this project will cost more than the budget of \$75,000 and an allowance of \$90,000 has been allowed for in the projections.

## **5. The Bata Building (The Hub)**

- 5.1 Refer to Attachment 5 for a memo to Her Worship the Mayor on the history of this building and the issue relating to the mural.
- 5.2 In summary saving the mural whilst potentially possible (and there are no guarantees) would be an extremely expensive exercise.

Chief Executive's Report - Various issues -  
Modellers Pond; Buxton Toilet upgrade and Bata  
Building demolition

- 5.3 Tenders closed on 31 October 2013 and evaluations completed. Officers are ready to award the contract to demolish the building and convert to carparking.
- 5.4 However, there is high public interest in this project and a need to do some more work around the obligations under the Public Works Act. It is proposed to hold off awarding this tender until the matter is discussed at the upcoming 28 November 2013 Works and Infrastructure Committee, with the matter coming back to the 12 December 2013 Council meeting for a decision.

## **6. Conclusion**

- 6.1 That the updates be noted and recommendations as presented be approved.

Alec Louverdis  
**Group Manager Infrastructure**

## **Attachments**

Attachment 1: Modellers Pond councillor update (June and August) [1633611](#)

Attachment 2: Buxton Toilet report to Council [1482467](#)

Attachment 3: Buxton Toilet layout [1633231](#)

Attachment 4: The Hub memo [1617997](#)

No supporting information follows.

**Alec Louverdis**

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**From:** Alec Louverdis  
**Sent:** Friday, 2 August 2013 9:00 a.m.  
**To:** Councillors  
**Cc:** Sandra Birdling; Administration Advisers; Executive Team; Phil Hamblin; Peter Coubrough; Becky Marsay; Angela Ricker; Andrea McLeay  
**Subject:** RE: Modellers Pond

Good morning councillors

Following my earlier email dated 26 June (see below), I would like to give you an update as to where we are with respect to the modellers pond upgrade.

Clearly, the lunch time briefing planned for the 18 July did not happen for reasons that will be clear once you read my email.

Officers along with design consultants have been working on the layout of the modellers pond. The issues and solutions are extremely complex and include the desire to have a deeper pond to regulate water temperature (to keep cool in summer) and to reduce sunlight penetration – both to control the build up of algae and weeds.

An increased depth was also requested by the larger boats which have larger drafts under their keels (up to 1.2m). The pond currently varies in depth between 400mm and 960mm in depth.

Solution complexities to achieve a deeper pond include either:

1. Raising the pond, which creates a real problem and cost with stormwater drainage.
2. Lowering (ie making deeper) the pond, which has two complicating factors. Firstly the need to put in measures to address uplift of the base structure (as the water table is very high) as well as the issue to address contamination from historical copper sulphate dosing, which will be a problem if this layer is disturbed.

Options for liners have been investigated and a concrete liner is preferred from a maintenance point of view.

All options will require a maintenance management regime that will include the use of chemical biological agents and a resource consent has been applied for this already. It is the intention to start dosing as soon as possible to see if this has an impact on the pond.

The chemical for killing the weed growth is Aquathol K. This weed killer is non carcinogenic, and will be applied by a registered applicator. It dissipates very quickly and leaves no residual. It has no effect on fish and has a 7 day restriction for human consumption (which of course is not an issue here). One application should be sufficient.

Natural dyes will also be used to reduce UV sunlight into the pond.

A chemical agent called Aquaboost (again non carcinogenic) will be used monthly to maintain water quality at an estimated cost of \$200/month.

However, as always there is the issue of cost. The cost to address a deeper pond (whatever solution is chosen) ranges from between \$900,000 and \$1.2 Million and even these costs are rough order cost estimates and could well be higher.

Council's budget for this project is \$490,000 and this is clearly insufficient to achieve all the outcomes.

The question also needs to be asked as to whether spending this sum of money is a good spend (and then begs the question as to whether the pond is in the right place at all), or whether spending more money on investigating further options is a wise spend of money at this stage.



What is clear is that we will not be in a position to have any work in place by December, as previously anticipated, and I apologise for this.

However, on the bright side we are hopeful that the chemical and biological management of the pond leading up to December will give us a good indication as to whether this dosing regime in fact works. If it does deliver the expected results then that questions the need to deepen the pond to limit algae and weed control at all and that in fact will realise a saving of \$450,000.

The only down side is that larger model yachts will not be able to be catered for, but again the question to be asked is whether spending in excess of \$1 Million to achieve this is a wise spend of money.

So, in summary we are proposing to chemically and biologically dose the modellers pond now (once a consent has been secured), which will allow us to ascertain if this is all we need.

Either way, post December we will bring something back to Council.

We will also be clearly be communicating this back to the Modellers pond users and other key interest groups.

Thank-you Alec.

**From:** Alec Louverdis  
**Sent:** Wednesday, 26 June 2013 10:00 a.m.  
**To:** Councillors  
**Cc:** Sandra Birdling; Administration Advisers; Executive Team  
**Subject:** Modellers Pond

Good afternoon councillors

Following an update and discussion relating to the modellers pond during the Annual Plan workshops, councillors asked for the opportunity to see the concept plans before detailed design work progressed. We are hoping (and will be aiming) for physical works to be completed by December this year in time for the summer and tourist season.

What this means is that the timeframes are extremely tight.

Officers will be receiving the concept plans and cost estimate from the consultants hopefully early July.

In order to work towards the December completion date, I need to arrange for a time for you all to see the concept plans and have the opportunity to discuss any issues you may have before detailed design commences.

My question then is this - how do you feel about having this concept drawing presented to you all over lunch at the upcoming 18 July Infrastructure meeting (similar to what we did for NelMAC)? I am happy for any feedback on alternatives.

If I don't receive the plans in time for the 18 July, then I will need to arrange something else but I am working towards the 18 July.

Thanks Alec.

**Alec Louverdis**

Executive Manager Network Services

CPEng, MIPENZ

Nelson City Council

*te kaunihera o whakatū*

PO Box 645 Nelson 7040 New Zealand

Tel 03 546 0271

Fax 03 546 0239

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## Buxton Toilet Upgrade

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### 1. Purpose of Report

- 1.1 To consider an alternative method of upgrading the Buxton Toilet.

### 2. Exclusion of the Public

- 2.1 This report has been placed in the public excluded part of the agenda in accordance with section 48(1)(a) and section 7 of the Local Government Official Information and Meetings Act 1987. The reason for withholding information in this report under this Act is to:

- protect information that may disclose trade secrets or the commercial position of a person,
- protect information that is subject to an obligation of confidence,

### 3. Recommendation

***THAT Creative Communities be engaged to upgrade the Buxton Toilet at a cost of \$75,000 including the director's fee of \$9,750;***

***AND THAT the brief for Creative Communities includes that all work complies with the Building Regulations and addresses identified CPTED (Crime prevention through environmental design) issues.***

***Or***

***THAT a further \$30,000 be made available for the Buxton Toilet upgrade;***

***AND THAT negotiations be held with the preferred tenderer to upgrade the toilets to meet CPTED standards at a maximum cost of \$330,000 including a contingency fee.***

# PUBLIC EXCLUDED

## 4. Background

- 4.1 The upgrade of the Buxton Toilet was included in the 2012/13 Annual Plan as a means of providing a safer facility for users. The existing toilet was identified as a CPTED (crime prevention through environmental design) risk with concealment and poor lighting possibly contributing to antisocial behaviour.
- 4.2 \$339,000 was allocated in 2012/13 to design and upgrade the Buxton Toilet. \$39,860 of this was used for the architect's design including quantity surveying and structural engineering input during the design phase. This left a total of \$299,140 available for the construction budget and supervision.
- 4.3 The projected construction cost by a quantity surveyor was initially \$332,316. As this was higher than the budget, the scope of work was reviewed and the construction cost reduced to \$299,140.
- 4.4 The tender for construction closed on 7 March 2013 and three tenders were received. The lowest tender was \$340,785. Including supervision costs of \$8,500 and contingency of \$15,000 the difference between the available construction budget of \$299,140 and the total projected construction cost of \$349,285 is \$65,145.

## 5. Discussion

- 5.1 There are opportunities to reduce this cost by approximately \$35,000 and still meet the CPTED objectives, leaving a shortfall of approximately \$30,000. These savings have yet to be negotiated with the preferred tenderer.

Construction budget		299,140
Tender	340,785	
Supervision	8,500	
Contingency	15,000	
Initial costs	<u>364,285</u>	<u>364,285</u>
Costs less budget		65,145
Less potential savings		<u>35,000</u>
Final shortfall		<u>\$ 30,145</u>

- 5.2 This architectural design is robust and expected to withstand the rigors and vandalism of a public toilet for the next 20 years or so, albeit with

## **PUBLIC EXCLUDED**

ongoing repairs and maintenance. It is an attractive solution featuring a colourful, lit interior with extensive lighting spilling out through toughened structural glass on the front exterior. Cubicles open directly out onto the front apron with no areas of concealment.

### **6. Crime Prevention through Environmental Design (CPTED) Considerations**

- 6.1 Prior to preparing the architects' brief, advice was sought from the Police and a CPTED audit completed. Concerns included the enclosed and hidden nature of the facility. Both the Men's and Women's toilets are entered via an L-shaped corridor which enables users to be followed with no means of escape. Advice was to provide individual cubicles with direct access to the outside. The large concrete fins supporting the canopy structure on the outside of the building further obstruct visibility and their removal was recommended in the architects' brief.

### **7. Alternative Method of Delivery**

- 7.1 The current tenders are beyond the Council's budget and the Council is entitled to accept none of them and close the tender process. However the Council must safeguard its reputation with local contractors and consultants. Preparing a tender is a costly exercise and it is to the Council's benefit that contractors and consultants are confident in the Council's tendering process and that their efforts will not be dismissed without reason. In this case the risk of any action against Council to claim tender costs is low because it is clear that Council would have awarded the contract if pricing had been lower and alternatives are only being considered because of this issue.
- 7.2 David Engwicht, Director of Creative Communities, a 'place making' consultant who has recently conducted two workshops in Nelson, has advised that he can upgrade the facility for much less than Council has allocated. He initially suggested \$150,000 but indicated it could be considerably less (refer to Appendix 3). He has since indicated that he could do the work for as low as \$30,000 however officers are concerned that if the price is too low the quality of the work, particularly structural work, could be compromised. A figure suggested by officers is \$75,000 including Creative Communities fee of \$9,750.
- 7.3 Mr Engwicht has suggested that by enthusing the local community to become involved he believes that this enthusiasm will spill over into other projects resulting in high community involvement and ownership of facilities.
- 7.4 Most other contractors and consultants are issued with detailed briefs with clear outcomes to achieve. The suggested approach where the design process evolves according to the community's input is low risk for smaller community projects such as playgrounds where the local community is able to determine the outcomes, albeit in accordance with the Playground Safety Standards. In contrast the Buxton Toilet upgrade is a significant project within the Central City with potentially major

## PUBLIC EXCLUDED

structural changes to be made to a fairly solid building. To ensure a successful outcome to the project a brief setting out key objectives could be included as part of the contract with Creative Communities.

- 7.5 To meet CPTED requirements on a 24 hour basis major changes are required to the structure of the building. The Council needs to be assured that any such changes will be carried out by suitably qualified or experienced operators. A CPTED trained practitioner shall be consulted.
- 7.6 It would have to be a requirement of Creative Communities engagement that the requirements of the Building Act 2004 be met and a building consent obtained prior to work commencing on the site, and that the building work to be completed including a Code Compliance Certificate under the Building Act 2004.
- 7.7 While it would be a requirement that all Health and Safety and building standards are met it needs to be recognised that this alternative approach may require flexibility within standard Council processes including:
- 7.7.1 The normal tendering process will not be adhered to.
- 7.7.2 Councillors will not see a prior design plan.
- 7.7.3 The process will be for a fixed sum with no variations.
- 7.7.4 There will be no formal contract supervision and work inspections.

## 8. Comparative Benefits of the Two Construction Options

### 8.1 Architecturally Designed Option

#### 8.1.1 Advantages

- High degree of certainty of expected design outcomes.
- Higher degree of certainty that building standards will be met and the facility will meet the requirements for use and will withstand vandalism.
- Standard processes are in place to deal with design and construction.

#### 8.1.2 Disadvantages

- Higher cost.
- Community not offered an opportunity to be directly involved in the process.

# PUBLIC EXCLUDED

## 8.2 Creative Communities Option

### 8.2.1 Advantages

- Lower cost.
- Community involvement in both design and construction leading to greater community ownership.
- More potential for a unique Nelson design
- Enables residents, retailers and businesses to use local knowledge to express and implement a vision of how they want the facility to look and function.

### 8.2.2 Disadvantages

- Uncertainty over the design outcome.
- May not be as durable as the architectural option.
- Uncertainty over the ability of volunteers to carry out the structural work.
- May open up liability to Council

## 9. Conclusion

9.1 Under the current tender process in order to complete the upgrade of the facilities to CPTED standards a further sum of \$30,000 is required making the total construction cost approximately \$330,000.

9.2 There are financial advantages to engaging Creative Communities with a total cost of \$75,000. Their results in other places around New Zealand and Australia indicate that the Buxton Toilet could be a point of difference and a talking point in the Central City.

9.3 If the Council decides not to adopt the alternative approach from Mr Engwicht and Creative Communities there are other opportunities to use his services including the reconstruction of the Murphy Street playground, included for upgrade in the Annual Plan 2013/14.

9.4 There are advantages and disadvantages with both options and the recommendation is for the Council to decide on the preferred method of delivery.

Andrew Petheram

**Principal Adviser Reserves and Community Facilities**

## **PUBLIC EXCLUDED**

### **Attachments**

Attachment 1: Plan of existing toilet [1520734](#)

Attachment 2: Architect's proposed development plan – plan view [1520731](#)

Attachment 3: Architect's proposed development plan – elevation [1350844](#)

Attachment 4: Letter of offer from David Engwicht [1519838](#)

PREVIOUS REPORT

## Supporting Information

### 1. Fit with Purpose of Local Government

The upgrade of the Buxton Toilets fits with the purpose because it will “meet the current and future needs of the community for good-quality local infrastructure, and local public services in a way that is most cost-effective for households and businesses”.

### 2. Fit with Community Outcomes and Council Priorities

Community Outcomes:

People-Friendly Places – we build healthy, accessible and attractive places.

Kind, Healthy People – we are part of a welcoming, safe, inclusive and healthy community.

The upgrade will improve the facility to meet the above outcomes.

### 3. Fit with Strategic Documents

The Community Facilities Asset Management Plan 2012-2022 has identified the replacement or refurbishment of Buxton Toilet as a high priority scheduled for the 2012/13 financial year. Safety and CPTED issues were listed as major concerns.

### 4. Sustainability

This project proposes to refurbish and reuse the existing structure. The refurbished facility will enhance community safety.

### 5. Consistency with other Council policies

This project is consistent with the objectives and policies for the Urban Design and Inner City Zone Objectives of the Nelson Resource Management Plan, particularly:

Objective DO13A.3 – Creating high quality public spaces.

Objective IC2 – Streets and public areas which are pleasant and attractive for people to visit and use.

### 6. Long Term Plan/Annual Plan reference and financial impact

Page 146: Buxton Square toilet capital expenditure

2012/13: \$314,000

2011/12: \$25,000 (carry over)

### 7. Decision-making significance

This is not a significant decision in terms of the Council’s Significance Policy.

### 8. Consultation

Consultation was carried out with David Prentice (Nelson Police).



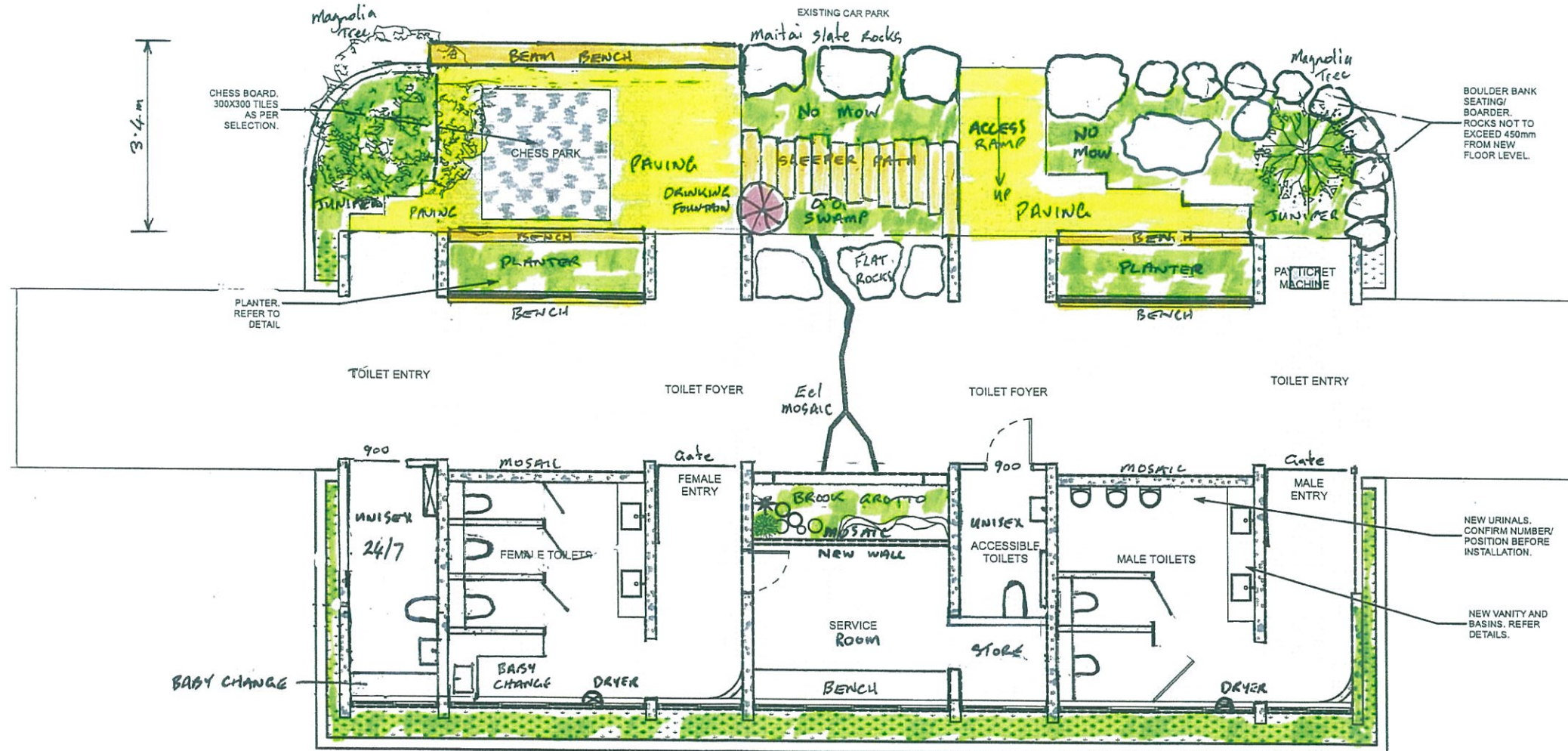
**9. Inclusion of Māori in the decision making process**

Not applicable.

**10. Delegation register reference**

Decision of Council

PREVIOUS REPORT



FF

FIXTURES AND FINISHES PLAN

1:100

PROJECT TITLE: Buxton Square TOILET	DRAWING STATUS: Design	SCALE @ A3: 1:100	DATE: 23/10/13
CLIENT: Kate Fulton. For Nelson City Council	DRAWING TITLE: FINISHES PLAN		PROJECT NUMBER: #Pln
DESIGNER:			DRAWING NUMBER: A.102

1633231

17 October 2013

Memo To: The Mayor and Councillors  
Memo From: Alec Louverdis  
Group Manager Infrastructure  
Subject: Demolition of the Hub and the Mural Artwork - 10 Halstead Street

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This memo serves to place some context around the upcoming demolition of The Bata building (The Hub) in New Street and the recent e-mail traffic surrounding the artwork on the exterior of the building fronting New Street.

### Background

Council purchased 10 Halstead Street in 1998 with the purpose of creating a car park. However, the building was retained and used for a variety of purposes including a gym, art centre and youth centre. During the time the building was used by the Artery Art Centre and an artist Valeska Campion worked with the community to create a large heart and star mural fixed to the building.

An initial earthquake prone building assessment undertaken in 2012 put the building at 5.5% NBS (below the 33% minimum required in the Building Act). A detailed earthquake assessment has since confirmed that the building is earthquake prone (20-30% NBS). The estimate to strengthen the building to 67% NBS is estimated at between \$1.8 and \$2.6 Million. The combined value of the land and building is \$930,000.

The cost of a new building on that site to the same dimensions, built to 100% NBS, is estimated at between \$2.1 and \$2.6 Million.

A Section 124 was issued by the Building Unit (Regulatory) to the Council as landowner (and reported to Council previously) stipulating that the building needed to be either demolished or strengthened by 30 June 2032, with maximum occupancy set at 150 persons.

This information was communicated to the tenant and they made the decision to vacate the building on health and safety grounds. Council agreed to allow the tenant to end their lease early without any penalty and Council resolved in February 2013 to demolish the entire building and create a car park – since decided to accommodate the Council fleet car park from Wakatu Square. The resolution passed by Council is as below:

*"THAT a \$300,000 allocation be added to the draft 2013/14 Annual Plan to be used for the demolition of the building at 23 New Street, its replacement with a carpark and a final decision on the future of the site to be made following consideration of the Parking Study"*

The reasons for Council resolving to demolish the building included:

1. High costs of bringing the building up to code;
2. The building is a rabbit warren of offices and corridors;
3. There is limited opportunity to rent this out for a reasonable return;
4. The building required future large maintenance investment;
5. The building is very difficult to heat in winter and cool in summer.

Officers have moved ahead with this project (tenders close on 31 October 2013) and in the process Ms Campion inquired whether Council had considered options for retaining the mural (whether in situ or moved to another site).

Work undertaken by officers found the costs to save the mural exceeded the budget approved by Council, and that there were significant issues that made any solution challenging and unfavourable. These challenges largely relate to the nature of the artwork material and how it is fixed to the wall. Council has taken photographs of the artwork as a record.

The issue has again come to the fore and this memo serves to highlight the complicating issues surrounding the artwork, notwithstanding the desire to retain the artwork.

One of the issues with respect to considering whether the artwork should be retained or not (other than cost and complexity of retaining such a piece of artwork) is the potential limitation it places on the future long-term use of the site, as retaining all or part of the mural on site may make the site unattractive for future developers. It is optimal for developers to have a clear site, as it is for Council to optimise the space for carparks.

In an email to Council officers dated 4 September 2013 Ms Campion notes that she knew the site was bought for a car park and had some knowledge that the mural would be temporary in nature. However, officers accept that the artwork has gained a level of recognition in the community in the past 10 years.

Options exist to save the artwork, but it must be understood that these will attract substantial additional costs.

**Current Proposal:** This includes demolition of the building, with the option of removing and relocating only parts of the mural that can be salvaged. As with all options, there is no guarantee this would be successful.

Portions of the mural could possibly be salvaged for use at another site. This is of course dependent on responses from tenderers around feasibility and cost. The benefit of this approach is the building can be demolished removing the earthquake risk, allowing the car park to be formed and creating a clean site for any future development. This will attract additional cost, but will form part of the tender submission and will be evaluated by officers.

The budget allocated to demolition and creating a carpark is \$300,000. A further risk to the budget has been identified, that there are potential issues of contamination on the site, which may increase costs.

It is intended to have demolition completed by 23 December 2013, with the car park to follow in early in 2014.

#### **Alternative option one: Demolish building, but retain the front wall and mural in its entirety**

The building would be demolished but the front wall containing the mural retained (again there is no guarantee that this is possible). The front wall will, as a minimum, need to be buttressed to ensure it is safe and does not pose an earthquake hazard – ie any solution will need to be at least 67% NBS but more likely 100% NBS. This option would allow Council to retain the mural for as long as Council owns the site. The buttressing means the space for car parking would be reduced (by how many carparks is at this stage unknown). As noted previously retaining the structure could limit the future site development as it is unlikely a future developer would want to retain the mural.

#### **Alternative option two: Demolish building, but remove and relocate the entire mural**

The possibility exists to attempt to remove the artwork in pieces for installation at another as yet unidentified location. This option has the benefit of being able to demolish the entire building and create the planned car park. However, the artist is not keen on the art work being removed as it

was designed for that location. Again, this option is risky as there is no guarantee that the artwork could in fact be removed easily without damage.

The artist has advised that the mosaics are solidly glued to the building using a cement-based adhesive, and would have to be removed one-mosaic-piece at a time with a chisel. The handmade tiles would most likely break into smaller pieces in the process.

Any remedial work would most likely include a reinforced concrete footing and tilt slab onto which the artwork could be mounted.

Officers have not been able to estimate costs for placing the artwork on another building as there are too many variables involved to develop a specification until a location is identified.

It is likely that the artist would wish to be involved in any relocation of the artwork.

### **Costs**

Discussions with a structural engineer to further explore these alternative options has revealed that pursuing any sort of option will be difficult and costly and that a minimum of \$100,000 (in addition to the costs of demolition) would be required as a starting point for all options other than the current proposal. Realistically costs could be well in excess of \$300,000.

The costs of structural engineering advice in order to develop options would be in the order of \$30,000.

To put this into perspective, the costs to save the mural would, as a minimum, be around a third of the cost to demolish the building and at worst 100% of demolishing the building.

### **Conclusions**

There is clearly a drive from some to save the artwork although the original, temporary nature of the mural is acknowledged.

Whatever option is pursued it will come at a substantial cost that is unbudgeted. There is already a risk that costs may increase if fears of contamination at the site are realised.

There is no guarantee that any relocation could be safely undertaken and a real risk exists that any attempt to save or move the artwork or portions thereof could be unsuccessful. Any willingness to relocate the artwork is related to the alternative location being acceptable to the artist, and no work has been done on identifying possible sites.

Changes to the project will impact on officers' ability to deliver the Council resolution.

Retaining the artwork wall will impact on the number of car parks able to be accommodated.

Retaining the artwork wall could still pose a risk in an earthquake irrespective of the option chosen because of the nature of the slenderness of the wall and could pose a risk to assets (cars) and potentially lives.

The building is sub 33% NBS and is an Earthquake Prone building that has a binding Section 124 notice attached to it.

The reasons behind Council's decision to demolish the building in the first instance are still valid.

Officers acknowledge that the artwork is dear to the artist's heart, but raise the issue of whether saving the mural comes at too great an additional cost.

In considering whether to invest more in this project, Council also needs to turn its mind to whether this fits in with the purpose of local government. This is not just an emotive argument around art; there are matters around potential cost and risk.

To explore this further will require additional funding to appoint a structural engineer to develop options and \$30,000 would not be unrealistic. Added to this would then be the cost of physical works (minimum of \$100,000 but potentially \$300,000 or even more).