

CAIRNS CULTURAL PRECINCT COMMITTEE**16 MARCH 2011****1****REPORT FROM THE PROJECT CONTROL GROUP**

Linda Cardew: 26/7/18-02: #3090257

RECOMMENDATION:**That Council receives and notes this report.****INTRODUCTION:**

To provide the Project Control Group's report on the status of the Cultural Precinct project to the Cairns Cultural Precinct Committee, further to the approved project management and reporting framework adopted by Council on 28 July 2010.

BACKGROUND:

This report summarises the project actions and issues arising over the last month as considered by the PCG 7 March 2011.

COMMENT:

This report provides a summary only of the work to date.

GOAL 1: TO MEET COMMUNITY NEED

A series of consultations with a range of stakeholder groups and individuals were held in January to inform the development of the Outline Theatre and Outline Acoustic Design Briefs, however consultations with schools and tertiary institutions could not be held until the school term was underway.

The PCG noted that the schools consultation was scheduled for Monday 7 March in the Civic Reception Room. A meeting with representatives from JCU was scheduled for Tuesday 8 March. Both sessions are specifically for the purpose of confirming, amending or adding to the current Outline Design Briefs. All schools in the region were emailed and advertisements placed in the Council Corner notices. Councillors were advised of the consultations and invited to attend.

The outcome of these consultations will be reported to the PCG and then to the Cairns Cultural Precinct Committee at its April 2011 meeting.

GOAL 2: HIGHEST AND BEST USE OF THE LAND

2.1 The Cultural Precinct site

(a) Site area

No further action regarding the site area can be taken until the architect has been appointed. At that time there will be a full project briefing and meeting with Ports North (Ports) to start the development of the masterplan. It is expected that there will be a degree of flexibility regarding the site boundaries, provided access to the wharves is retained and commercial operators are able to continue without restraint, and all other issues raised by Ports have been accommodated in the design.

(b) Site contamination

Staff are seeking quotes from qualified consultants to undertake an independent review of the Ports contamination assessment issued February 2011.

(c) Buffer report

This Report largely covers design requirements relating to noise, operations and access which the site masterplan and design must accommodate and has been included in the supporting documentation to be provided to architects as part of the tender.

(d) Development agreements

The framework, development and lease agreements have been forwarded to Council's solicitors for review and advice.

GOAL 3: DESIGN EXCELLENCE AND SUSTAINABILITY

3.1 Tender #2261 for architectural design services

Eight architectural teams were interviewed by the Evaluation Panel on 11 February 2011 for the purpose of arriving at a shortlist of four teams who would be invited to submit tenders.

A detailed report on the interview process and the recommendations was submitted for the Cairns Cultural Precinct Committee's consideration at a closed session on 16 February 2011.

The four recommended architects were approved by a majority of Councillors and teams were advised after the Committee meeting on 16 February. Unsuccessful architects were advised on the same day by written notification.

The Tender Documents comprise seven parts:

Part 1 - Conditions of Tender

Part 2 - Architectural Consultancy Services Brief Revision 3

Part 3 - Architectural Consultancy Tender Assessment Criteria Revision 3

Part 4 - Master programme issue date 28 February 2011

Part 5 - Preliminary Client Project Brief

Part 6 - Conditions of Contract

Part 7 - CD containing Attachments and Supporting Documentation.

Documents were developed by Savills and the Project Manager, and input, review and comment requested from the Government Architect, Queensland Chapter President Australian Institute of Architects (AIA), WT Partnership as cost consultant, Council's Procurement Manager, three General Managers and Council's solicitors. The PCG has reviewed and approved the issue of the Tender Documents. The Tender closes on 22 March 2011.

The appointment of the architects (and advisory subconsultants) to prepare the Masterplan and design concept options is required by the State Government's Project Assurance Framework (PAF) in order to prepare the Preliminary Evaluation (of options) and the Business Case. This work is also required in order to meet the State Government's requirements under the Cultural Precinct Business Planning Funding Deed.

3.2 Preliminary Client Project Brief

This Brief has been prepared to support and guide the architectural consultancy scope of services. It sets out Council's preliminary aims and objectives for the project, to guide the masterplan and the development of concept options. As Council's and the community's needs are firmed up, and the project moves into the schematic and detailed design phases, the Preliminary Client Brief will be updated and supported by the design requirements and reports of all subconsultants.

This preliminary Client Project Brief is supported initially by three functional briefs: the outline theatre, acoustic and museum planning briefs.

3.3 Outline Theatre Design Brief

The Outline Theatre Design Brief (issue March 2011) has now been completed by Marshall Day Entertech and was presented to the PCG by Peter Fearnside, Managing Director, Marshall Day Entertech. The PCG approved the Outline Brief for issue as part of the Tender to support the architectural consultancy services brief.

3.4 Outline Acoustics Design Brief

The Outline Acoustics Design Brief (issue March 2011) has now been completed by Acoustic Studio and was presented to the PCG by Peter Griffiths, Director, Acoustic Studio.

The PCG approved the Outline Acoustic Design Brief for issue as part of the Tender to support the architectural consultancy services brief.

3.5 Museum Planning Brief

The Planning Brief for the Cairns Regional Museum (The Cairns Regional Museum Exhibitions and Public Programs Concepts interpretation - Report to Inform the Masterplanning Brief (2011) has now been completed by Queensland Museum and was discussed at the PCG by teleconference with Deborah Tranter, Director Queensland Museum.

The PCG approved the Museum Planning Brief for issue as part of the Tender to support the architectural consultancy services brief.

3.6 Conditions of Contract

The draft conditions of contract form part of the Tender documents. The PCG approved the use of the Australian Standard contract AS 4122-2010, amended to provide Council with the ability (if required) to novate the architect to the builder. The contract has been reviewed by Council's solicitors, who have proposed the wording for the amended clause and who have drafted the Deed of Novation. This draft contract is now being finalised – for the purpose of submission with the Tender Documents. Councillors should note that the terms will still remain subject to negotiation with the preferred tenderer.

3.7 Supporting documentation

A full list of supporting documentation was issued to the architects.

3.8 Request for Special Council Meeting on 6 April 2011

As there is no scheduled Cairns Cultural Precinct Committee or Council meeting which coincides with the end of the Tender assessment and reporting period, the PCG considered and approved the Project Manager's request for a Special Meeting of Council be called for Wednesday 6 April 2011. This Special Meeting is essential as it is not possible to delay the Tender report and appointment of the architects by as little as two weeks, and still expect to meet the ongoing program obligations. The PCG in turn recommended that the CEO call a Special Meeting of Council (Closed Session) on 6 April 2011, in order to consider the Architectural Design Services Tender Assessment Report, and that all required advertising be undertaken in accordance with the provisions of the Local Government Act 2009.

3.9 Architects' building inspections

In earlier reports, and in the EOI document and project briefing for architects, it was recommended that members of the Evaluation Panel inspect buildings completed by the shortlisted architects.

This step is considered to be an essential element in the selection process, particularly in the absence of a design competition, to enable the Panel to obtain a greater understanding of the approach of the architectural team's design response and the resolution of design, documentation and cost issues during the whole of the design and construction process.

The PCG directed that inspections are to be undertaken after the close of the Tender on 22 March 2011. Panel members are currently considering the issues to be examined in this process.

3.10 Appointment of design and advisory consultants to support the development of the masterplan and design concept options

The PCG and Cairns Cultural Precinct Committee have been previously advised that the advice of a limited number of design and advisory consultants is required to support the development of the masterplan and design concept options. In addition to ensuring the integrity of the early proposals, the PAF and the Funding Agreement require the options to be assessed, evaluated and costed.

In early February 2011 Requests for Quotations were advertised for the following consultancies: Structural Engineer, Cost Planner, Traffic Engineer, Mechanical and Electrical Engineers, Vertical Transportation Engineer, BCA Consultant, Heritage Consultant, Civil Engineer and Maritime Consultant.

The scope of services for each was developed by Savills (further to the procurement appointment) and the project manager. The RFQ process was managed by Council's Procurement Branch and all queries received and responded to through Council's electronic Tender Box. RFQs closed on 1 March. Sixty-one quotations have been received across nine disciplines. These will be assessed in accordance with the agreed weighting criteria over the next two weeks.

3.11 Requests for quotations from Land Surveyors

A full site survey, including a levels survey is now required. Quotations have been invited from land surveyors on Council's panel of surveyors. Three of the six consultants on Council's provider list confirmed their interest in submitting a quotation. The PCG considered a report on the submissions received and the assessment process, and has approved the appointment of Cairns-based firm Brazier Motti Pty Ltd.

GOAL 4: COMMUNITY COMMENT AND CRITIQUE

4.1 Communications Plan

As reported in February, a consultant had been engaged to prepare an updated communications program based on the findings of the Rowland community perceptions survey.

This Plan has now been completed and is presented to the Cairns Cultural Precinct Committee as separate agenda item at its meeting of 16 March 2011.

GOAL 5: TO REFLECT THE CHARACTER OF THE CAIRNS REGION AND FAR NORTH QUEENSLAND

Community consultations have started generating comments and discussion regarding this goal. It will be dealt with progressively through the architectural tender, architectural design brief, consultation with Traditional Owners, with Aboriginal and Torres Strait Islander peoples, the Public Art Advisory Committee, and the broader community.

GOAL 6: ECONOMIC GROWTH

Economic development, information regarding the economic impact of the cultural precinct, and information regarding investment in Far North Queensland is required under the Project Assurance Framework assessment. This information is currently being compiled.

GOAL 7: SOUND FINANCIAL MANAGEMENT

Financial modelling for the project is ongoing and as assumptions change and budgets are firmed up, outcomes will be reported regularly to the PCG and to the Cairns Cultural Precinct Committee.

7.1 Business planning, risk and procurement consultancy services

The Committee has been advised previously that the State Government requires the preparation of a Business Case in accordance with the State Government's Project Assurance Framework (PAF), to be undertaken as a prerequisite to the receipt of further State funding. The Commonwealth Department of Infrastructure (DIP), has agreed that the utilisation of this framework is also appropriate for Commonwealth grant funding purposes.

On 15 December 2010 Council resolved to appoint Savills/Incoll to prepare the PAF Business Case.

On 25 January 2011, Savills/Incoll and the Project Manager met with Arts Queensland (AQ), DIP and Treasury to confirm the level of detail required for the PAF. (This first meeting is a step required by the PAF). At that meeting Council was advised that Stage 1 of the PAF - Strategic Assessment of Service Needs, and Stage 2 of the PAF - Preliminary evaluation (of options) would now be required in addition to Stage 3 (Business Case). This is a substantial body of work not contemplated in previous correspondence, and which requires a significant change to the business planning program, and an increase in consultant resources (consequently causing a variation to the consultants' scope of services and fees).

A program for the preparation of the changed PAF scope was subsequently prepared by Savills/Incoll and presented to AQ management committee (discussed below) and approved.

On 23 February 2011, a management committee meeting was convened by AQ in accordance with the Cultural Precinct's Business Planning Funding Agreement. Representing Council were the Project Manager, the General Manager Community Sport and Cultural Services, and Savills/Incoll. Other attendees were AQ, Treasury, Department of Public Works (Project Services), DIP and an officer from the Commonwealth Department of Infrastructure. Minutes of that meeting have not yet been distributed. The State Government requires these meetings to be held on a monthly basis to ensure that the PAF work is progressing as required for submission to the Cabinet Budget Review Committee.

7.2 Research officer

In order to meet the requirement of the increased PAF scope, a research officer, with broad-based knowledge of the Cultural Precinct, community and cultural services, economic development, relevant legislation and Council, State and Commonwealth policies across a broad range of areas has been engaged by Savills for an estimated period of approximately three to four weeks, to identify and collate all material from which the PAF work can be developed. This need has arisen due to the changed scope of PAF work. The appointment will be a variation to Savills' approved scope. As the work relates directly to the PAF, costs will be met from the State Government's Business Planning Funding Grant.

7.3 Monthly reporting to Arts Qld

The PAF Funding Deed requires Council to report on progress, on a monthly basis, within 10 business days of the end of the month, providing information on the following:

- Detail of tasks completed
- Tasks for the next period
- Identified risks and mitigation strategies
- Actual expenditure for period and to date
- Forecast expenditure by month for the period up to 30 June 2011
- Revised Project timelines/schedule; and
- Any other information required by AQ or the Management Committee.

This month's report is currently being prepared.

GOAL 8: TO IDENTIFY AND MANAGE RISK

8.1 Risk management plan

In accordance with their engagement, Savills has prepared a draft risk profile and risk management plan. This document was presented to the PCG in draft form for its consideration, noting that it will not be a final document until the recommended workshops have been conducted. An internal risk management workshop is planned to be held before the end of March. The funding partners will be invited to participate in this workshop.

8.2 Procurement strategy

In accordance with their engagement, Savills has prepared a draft procurement strategy based on the identified risk profile. Fundamental to the procurement approach is a thorough understanding of the risks and staging needs arising in part from the availability of funding. It is critical to align the program, and the identification of staging options with the available funding (and the timing of the funding) from all levels of Government.

Savills presented the draft procurement strategy to the PCG. Again it is not a final document but will be updated over the coming months as the PAF and design work develops, and the risks and steps to mitigate those risks are assessed and developed.

The PCG endorsed the draft Procurement Strategy as a working document.

GOAL 9: EFFICIENT AND EFFECTIVE PROJECT DELIVERY

9.1 Governance

A draft Probity Plan for the assessment and evaluation of Tenders has been prepared by the Project Manager, and reviewed by Council's Procurement Manager. It was endorsed by the PCG with some minor amendments and is presented as a separate agenda item for Council's approval at its meeting of 16 March 2011.

Quotations will be invited shortly for the provision of probity advisory services.

9.2 Project resources

Interviews have been conducted to fill the vacant specialist PR/media position.

The position for a full-time records/administration officer has been approved, with recruitment underway.

GOAL 10: COST EFFECTIVE, EFFICIENT OPERATIONS

Action required: Nil at this stage.

CONSIDERATIONS:

Corporate and Operational Plans:

Council's Corporate Plan 2009-2014 lists the establishment of a regional Performing Arts Centre and regional Museum advocacy as Corporate Projects.

Council's Cultural Plan 2009-2014 identifies the building of a regional Performing Arts Centre and the provision of support for the State Government in establishing a Regional Museum as Outcomes Strategy 1 for cultural facilities.

Statutory:

The processes outlined in this report are in accordance with the provisions of the Local Government Act 2009.

Policy:

The Terms of Reference for the Cairns Cultural Precinct Committee are listed in Policy No 1:05:08.

Financial and Risk:

No financial decisions are required from this report.

Sustainability:

This report outlines a project structure that considers and includes all elements of a quadruple bottom-line outcome.

CONSULTATION:

The Project Control Group has been consulted in the preparation of this report.

OPTIONS:

This report is submitted for information only.

CONCLUSION:

This report provides a summary only of recent work on the Cairns Cultural Precinct project. The next report will be submitted to the Committee at its next meeting on Wednesday 20 April 2011 at 2.00pm in the Council Chambers.

ATTACHMENTS:

Nil.

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