

CONFIDENTIAL REPORTS

ITEM-13 CON 28/11/17 - QUEENS WHARF TOWER

REPORT BY: INFRASTRUCTURE
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REASON FOR CONFIDENTIALITY

This report has been classified confidential in accordance with the provisions of the Local Government Act 1993 as follows:-

Section 10A(2)(c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business

Section 10A(2)(d) commercial information of a confidential nature that would, if disclosed confer a commercial advantage on a competitor of the Council.

GROUNDS FOR CLOSING PART OF THE MEETING

In respect to Section 10D(2) the grounds on which part of a meeting is to be closed for the discussion of the particular item must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting. Accordingly an appropriate resolution to proceed is required first.

MOTION TO PROCEED

The discussion of the confidential report take place in a closed session, with the press and public excluded, for the following reasons:

A The matter relates to

Section 10A(2)(c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business

Section 10A(2)(d) commercial information of a confidential nature that would, if disclosed confer a commercial advantage on a competitor of the Council

B The closed session involves

- only as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security.

- the Council or Committee concerned is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest.

- C The matter to be discussed contains details of Council's reasons for acquiring the property and the amount of consideration Council is prepared to pay for the property. It is contrary to the public interest to discuss the matter in an open meeting because the information is sensitive commercial and strategic information and it could provide a commercial advantage to any other party interested in purchasing the property.
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PURPOSE

This report informs Council of the existing condition and future maintenance cost of the Queens Wharf Tower, and seeks a decision on the future of this asset.

RECOMMENDATION

- 1 Approve the demolition of the Queens Wharf Tower and link-bridge.

KEY ISSUES

- 2 **Cost of maintenance** - The primary issue is the future cost of maintaining this structure. It is forecast that the tower will require significant maintenance to the paintwork, fiberglass roof dome and concrete walkways in the next four years totaling \$1.6M.
- 3 **Public domain** - The original design of the tower and associated bridge structures to the mall was about creating a linkage between the foreshore and city centre. With the removal of the rail line and now bridge structures to the mall, the original design intent has been significantly altered. The new public domain principle is an open at grade plaza style, extending from the Mall down through Market Street across Market Lawn to the base of the tower area.
- 4 **Aesthetic** - There is a wide variety of public opinion on the aesthetic value of this structure at this location. While the structure has been considered to be iconic to Newcastle because of the skyline view as seen from Stockton, it has been considered by many to be an eyesore on the landscape due to its particular shape.
- 5 **User experience** - The upper level observation deck of the tower has a reputation of having a significant urine smell, poor visibility due to vandalism and poor passive surveillance, providing a poor user experience.
- 6 **Safety** - While there have been no reported cases of falling from the tower, the climbable exterior façade presents a significant risk of persons falling.

DISABILITY DISCRIMINATION ACT

- 7 There is no disabled access.

FINANCIAL IMPACT

- 8 There is a future maintenance liability of \$1.6M over the next eight years. Tabulated below is Council's expenditure to date on maintenance and repairs in Table 1, and Council's planned future maintenance to 2021 in Table 2.

	Year	Cost \$
Constructed	1986-1988	Not included in costings
Full repaint	1999	458,000
Corrosion protection repair	2008-2009	74,410
Corrosion protection repair	2011	164,700
Replace viewing glass	2013-2014	11,317
Wash downs to date	2002-2014	56,992
Total cost to date		765,419

Table 1 - Expenditure to date for maintenance and repair works (1988 - 2017)

	Year	Cost \$
Wash down	6 monthly recurring	4,000
Corrosion spot repair	2016 (carried forward)	40,000
Corrosion protection repair	2020	100,000
Dome repairs	2020	200,000
Full repaint	2021	1,200,000
Future cost		1,600,000

Table 2 - Future Maintenance costs to 2021

9. The above Table 2 assumes that the Queens Wharf Tower is to be retained until the end of its serviceable life in 2038 but only forecasts figures to 2021. A full repaint is not expected to be required again after 2021 although regular wash downs and spot repairs would still be required. Other costs such as perspex replacement and cleaning will be required as part of the future maintenance of the structure.

COMMUNITY STRATEGIC PLAN ALIGNMENT

- 10 The Plan of Management - The Foreshore (2015) does not apply to this asset as it is specifically excluded.

IMPLEMENTATION PLAN/IMPLICATIONS

- 11 Future works would be undertaken within Council operational and Capital project processes early in 2018/2019.

RISK ASSESSMENT AND MITIGATION

- 12 Demolition and site rectification would remove all physical risk associated with this asset.

RELATED PREVIOUS DECISIONS

13 Nil.

CONSULTATION

14 The Asset Advisory Committee at a meeting on 12 October 2017 recommended the removal of this structure.

15 The Communications and Engagement Unit has developed a communications plan for this project. The objective is to increase awareness and community understanding of why the structure's removal is necessary. After the initial announcement activities will include regular updates leading up to the tower's removal in late 2018 - early 2019, providing approximately seven months for anyone wishing to visit and climb the tower to do so prior to its removal.

OPTIONS

Option 1

16 The recommendation as at Paragraph 1 – This is the recommended option.

Option 2

17 Continue to maintain the asset until the end of its serviceable life in 2038 (\$1.6M to 2021). This is not the recommended option.

BACKGROUND

18 The Queens Wharf Tower was constructed in 1988 and is a steel observation structure with viewing area at the top at an elevation of 30m and total structure height of 40m. The paint system of the structure is the main corrosion protection in what is a highly corrosive environment. The paint system requires regular maintenance including wash downs, spot repair and full renewal every 10-15 years.

REFERENCES

ATTACHMENTS

Nil