FESP
Report &
Minutes

Nov 2009
REPORT TO FINANCE, ETHICS AND STRATEGIC PLANNING COMMITTEE

Boot Factory (A08/1326)

Report dated 21 October 2009 from the Director of Corporate and Technical Services about the Boot Factory building at 27 Spring Street Bondi Junction.

Recommendation: Council approve funding of up to $105,000 for additional make safe works at the Boot Factory from the 09/10 Capital Works program.

Purpose of Report

To update Council on the current situation at the Boot Factory and request funding approval for additional make safe works.

Background

Councillors will recall previous reports detailing structural problems in the Boot Factory building and arrangements to temporarily make safe the building and relocate the occupants based on safety concerns.

Stage 1 works (including legal and ancillary costs) to make the building safe so far have been completed at a cost of $98,300 which broadly covered temporary reinforcing by propping of parts of the identified structure throughout the building and barricading around building perimeter to restrict access to the sides and rear of the building but permitting corridors to entry doors during these works (since removed). Tenants were to actively minimise public entry with no large groups of people at any one time particularly on the upper levels.

These works provided a solution sufficient to protect tenants’ safety only on a temporary basis. They did not constitute repairs that will suffice beyond the short term.

When the structural problems arose, tenants included the ECHO Neighbourhood Centre, Eastern Area Tenant Service, Waverley Drug and Alcohol and Computer Pals for Seniors. Following discussions, Computer Pals accepted Council’s advice and the offer to relocate to the Terraces at 28-30 Ebley St.

Remaining tenants were expected to relocate to the old “Waverley Works” Terraces and to the commercial premises at 1 Spring Street just outside the Library front entrance. These premises were held vacant in the light of the Boot Factory problems and funds were spent on the Terraces to alter and bring them up to a standard specified as necessary by the prospective tenants. Despite initially giving Council undertakings that they would relocate to these premises, the remaining tenants have persisted in having a difficulty accepting Council opinions and evidence as to the condition of the Boot Factory and basically have refused to move out. Further engineering reports indicate now that, if there is to be continuing occupancy of the building, additional temporary make safe works are required. These could be carried out to a level that may permit the remaining tenants to stay, albeit at some inconvenience, until the expiry of their leases in November 2011. (Currently we are seeking confirmation from the consultant as to the time this investment would buy in terms of safe occupancy.)

To ensure the building is safe in the short to medium term preliminary engineering advice is now indicating make safe works are required at an estimated cost of $105,000 which broadly includes installation of steel beams, installation of steel rods at both upper floor levels, structural design and engineer’s costs and certification, project contract administration and supervision.
REPORT TO FINANCE, ETHICS AND STRATEGIC PLANNING COMMITTEE

If this is not done, the consulting engineer recommends immediate vacation of the building and a detailed inspection of the building on a monthly basis. He goes on to say that “if inspections are not carried out satisfactorily, demolition of the Boot Factory Building would need serious consideration”.

Advice from consultants

In May 2009 Council’s engineering consultants submitted a report indicating that approximately $945,000 in works would be required for the building to remain in use for longer than the short term.

The engineer’s report concludes:

“The Building Diagnosis Centre has carried out inspections and investigations on the condition and components of the Boot Factory structure since 2007. We have produced a number of reports and specifications, and have studied the past history of conditions and works when perusing the council’s file. We offer the following opinion:

1. If the Boot Factory building is going to remain, the grand total costs and estimates in item (E) with air conditioning is $945,251.

2. The high-level finish for a new building of the same size and floor levels as the existing Boot Factory is $960,768.

3. It is clear from both above figures that it would be uneconomical to repair, maintain, replacements and upgrading [sic] the existing Boot Factory building.

4. Compared to the construction cost estimate for a new modern and complying building, it would be feasible to demolish the current Boot Factory building.

5. Moreover, demolition would be considered especially as the current Boot Factory building with all of the above mentioned works carried out [the $945,251], would:

a) Still not comply with the DDA and BCA;
b) Has poor access and without a lift;
c) Requiring ongoing high annual maintenance and inspections; and
d) The possibility of carrying out all again most of the above mentioned works in 10 years and thereafter - due to the ongoing corrosion and deterioration of this 117 year building."

This report was peer reviewed by independent engineering consultants Taylor Thomson Whitting who essentially agreed with the principles outlined adding some extra issues worthy of consideration.

The future of the Boot factory needs more detailed review and discussion and is mentioned here for information as to current status. It is anticipated further reports will be submitted to Council as the issue unfolds.

Comment

The unwillingness shown by the Boot Factory tenants to remove to other premises, even at Council’s cost and their tendency in negotiation to strongly resist re-location per se, has been a major factor in lengthening implementation of works to make this building safe either for continued temporary occupation or for vacant possession. Whatever we do will incur costs, either arising from:
REPORT TO FINANCE, ETHICS AND STRATEGIC PLANNING COMMITTEE

- relocation of the tenants and foregone commercial rents in the premises to which we would have to move the tenants; or
- works necessary to make the building safe for temporary occupation.

The preferred choice at present is to undertake the next temporary make safe works, subject to further confirmation being received from our engineer as to how much time this buys in terms of safe occupancy of the building. This choice frees Council up to lease and/or occupy its premises at 1 Spring Street and the Terraces as our own operational needs dictate. It is likely that we will need at least the Terraces in the near future for our own operations including such services as Family Day Care while a new Child Care Centre is constructed on the current Family Day Care site.

Analysis

- **Financial:** Costs involved in stage 2 of the make safe works will need to be funded as emergency works requiring a review of the Capital Works Budget.

- **Management Plan** The recommendations contained within this report are consistent with the asset management section of the Management Plan and with our obligations to ensure a safe workplace.

- **Consultation** Discussions are ongoing with the affected tenants that occupy the Boot Factory.

**Timeframe:** A further report will be tabled with Council as the issue progresses.

**Recommendation:** Council approve funding of up to $105,000 for additional make safe works at the Boot Factory from the 09/10 Capital Works program.

Bronwyn Kelly  
Director Corporate & Technical Services  
*Author Steve Gillett*
F-0911.7
Boot Factory (A08/1326)

Report dated 21 October 2009 from the Director, Corporate and Technical Services about the Boot Factory building at 27 Spring Street, Bondi Junction.

MOTION / RECOMMENDATION (Betts / Guttman-Jones)

That:

1. Council approve funding of up to $105,000 for additional make-safe works at the Boot Factory from the 2009/10 Capital Works Program.

2. The Boot Factory tenants be advised in writing that:
   (a). Funds being invested in the building are for temporary make-safe works only.
   (b). The Boot Factory building will need to be vacated by the end of the current lease period in November 2011.

3. Council officers meet with the Boot Factory tenants as soon as possible to discuss the concerns raised in their submission and that an informal report on that meeting be prepared for Councillors.

F-0911.8
Payment of Expenses and Provision of Facilities for Councillors (A04/0371)

Report dated 22 October 2009 from the Director, Corporate and Technical Services about the adoption of a revised draft Payment of Expenses and Provision of Facilities for Councillors Policy following the exhibition period.

MOTION / RECOMMENDATION (Kay / Betts)

That:

1. Council receive and note this report.

2. Council adopt the draft Payment of Expenses and Provision of Facilities for Councillors Policy as exhibited subject to the following amendments:
   (a). Councillors are reimbursed their expenses in the monthly councillor payment.
   (b). A further dot point be added to the ‘Discretionary Trips, and Attendances at Conferences and Similar Events’ section of the draft policy to read as follows:
      “Where a councillor’s accommodation expenses are not prepaid by Council, but normally would have been prepaid by Council, and the councillor pays the

This is Page 4 of the Minutes of the Finance, Ethics & Strategic Planning Committee Meeting held on Tuesday, 3 November 2009.