

10.17.North Sydney Olympic Pool Report - Quarterly Governance Report

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ATTACHMENTS: 12 December Confidential Report – NSOP quarterly Report

PURPOSE:

The purpose of this report is to provide Council with a detailed report on the progress of the redevelopment of the North Sydney Olympic Pool in accordance with the Governance Structure outlined to Council at the meeting of 22 February 2021.

EXECUTIVE SUMMARY:

The Contract for the Construction of the pool was signed with Icon SI (Aust) Pty Ltd on 31 December 2020 and re-executed as a deed on 18 January 2021. The Contractor took possession of the site on 9 March 2021.

A Councillor Briefing was scheduled to be held on Monday 5 December to update Councillors on the progress of the Pool.

Should Council wish to discuss this report it is noted that the attached confidential document includes information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business. While there is significant public interest in the delivery of the North Sydney Olympic Pool project, the information treated as confidential details commercial arrangements. Release of this information would affect Council's ability to obtain value for money services. As a result consideration of the confidential information in open Council would be, on balance, contrary to the public interest.

FINANCIAL IMPLICATIONS:

Financial implications are outlined in the attached Confidential Report

RECOMMENDATION:

1. THAT the report be received.

2 THAT Council resolves that the identified attachment to this report is to be treated as confidential in accordance with section 11(3) of the Local Government Act for the following reason under section 10A(2) of the Local Government Act:

(c) information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business. While there is significant public interest in the delivery of the North Sydney Olympic Pool project, the information treated as confidential details commercial arrangements. Release of this information would affect Council's ability to obtain value for money services. As a result

consideration of the confidential information in open Council would be, on balance, contrary to the public interest.

LINK TO COMMUNITY STRATEGIC PLAN

The relationship with the Community Strategic Plan is as follows:

2. Our Built Infrastructure
- 2.1 Infrastructure and assets meet diverse community needs

BACKGROUND

The Contract for the Construction of the pool was signed with Icon SI (Aust) Pty Ltd on 31 December 2020 and re-executed as a deed on 18 January 2021. The Contractor took possession of the site on 9 March 2021.

CONSULTATION REQUIREMENTS

Community engagement is not required.

DETAIL

This section is broken into the following sub-sections:

1. Progress to date
2. Performance against Budget
3. Cashflow
4. Performance against time
5. Variations
6. Provisional /Value Management
7. Potential Future Variations
8. Extensions of Time
9. Planned activities for next month
10. Stakeholder Management
11. Consultants
12. Regulatory Issues
13. Grant Funding
14. Photographs

1. PROGRESS TO DATE

Significant works and milestone completed last month include:

- 50M Pool water test on-going – significant milestone 50m pool filled with water for the first time.
- Stair 4 Wall construction on-going
- 25m Pool shell construction on-going
- L03 Pour 1 construction on-going
- Level 1 inground services complete
- Level 1 North slab on ground complete
- Level 1 stormwater detention tank walls complete
- Level 1 Leisure Pool Balance Tank Base Slab and Walls complete
- Level 1 and Level 2 – Stair 3 walls, flights and landings complete
- L2 Grandstand Beams complete
- Level 2 Pour 2 Retaining wall complete
- Level 2 suspended slab Pours 1-3 complete
- Level 3 Plenum Structure complete
- Level 3 Paul Street Retaining Wall complete
- Level 3 Program Pool Balance Tank complete
- Level 3 25m Program Pool Balance Tank walls and slab complete
- Leisure Pool piling works complete

2. PERFORMANCE AGAINST BUDGET

Please refer to the Confidential Attachment.

3. CASHFLOW

Please refer to the Confidential Attachment.

4. PERFORMANCE AGAINST TIME

DESCRIPTION	DATES/DURATIONS
Date of Commencement on site	9 March 2021
Original Date for Practical Completion	14 November 2022
Extensions of Time Granted (EoT)	
Hazardous material removal and additional strengthening works and other issues at the beginning of the project	38 days
Inclement Weather	69 days
The industry-wide COVID 19 shutdown and a positive COVID 19 case on the site (13 days)	22 days
Delays (including National Day of Mourning)	48 days
Total EoTs granted	177 days
Current Revised date for Practical Completion	25/7/2023
Maximum exposure from current delay claims (currently claimed by Icon)	93 days
Potential Date for Practical Completion	23/11/2023

Table 4: Performance Against Time

5. VARIATIONS

Please refer to the Confidential Attachment.

6. PROVISIONAL /VALUE MANAGEMENT

Please refer to the Confidential Attachment.

7. POTENTIAL FUTURE VARIATIONS

Please refer to the Confidential Attachment.

8. EXTENSIONS OF TIME

Please refer to the Confidential Attachment.

9. PLANNED ACTIVITIES FOR NEXT MONTH

Activities forecast on-site for the next month are:

- Level 1 slab on ground pour 5 and pour 6 (Eastern stair tower).
- Level 1 western stairs on ground slab pour 1.
- Level 2 slab pour 5 complete.
- Complete water test to 50m pool
- Level 3 slabs pours 1 and 2 complete.
- Shop drawing approval continues
- Sample submission approvals continue

10. STAKEHOLDER MANAGEMENT

There are currently no issues to report with the neighbours.

11. CONSULTANTS

Please refer to the Confidential Attachment.

12. REGULATORY ISSUES

12.1. DA Conditions

There have been no DA condition issues reported since the last meeting.

13. GRANT FUNDING

13.1 NSW State Government

We are now due the next \$1 million payment (based on % complete), the QS has confirmed that the project is 25% complete and the application for the drawdown of funds will be made in the near future.

13.2 Federal Government

No further update. The next update is due in June 2023 at which time \$500,000 will be paid.

14. Independent review of the Council's management of the North Sydney Olympic Pool redevelopment project.

At its meeting of 10 October 2022, Council resolved as follows:

- 1. THAT Council urgently undertake an independent review of the Council's management of the North Sydney Olympic Pool redevelopment project.*
- 2. THAT Council engage a suitably qualified independent person to undertake a thorough review of all aspects of the North Sydney Olympic Pool redevelopment project and prepare a report to Council.*

In response to this resolution, Council called for quotations through Council's Solicitor on 26 October 2022. Responses closed on 2 November 2022. Through this process PricewaterhouseCoopers were engaged to undertake the review.

An initiation meeting was conducted on 10 November 2022 and the review is expected to be finalised on 19 December 2022 with a briefing to Councillors. The review process will include a document review, survey and interviews prior to presentation of a report with recommendations.

15. PHOTOGRAPHS



50m pool ready to water test 21/11/2022 - Major Milestone with the 50m pool filled with water for the first time.



50m pool ready to water test 21/11/2022 - Major Milestone with the 50m pool filled with water for the first time.



50m pool ready to water test 21/11/2022 - Major Milestone with the 50m pool filled with water for the first time.



Level 3 21/11/22



Level 2 slab 21/11/2022



25m pool preparation commenced 21/11/2022



25m pool balance tank 21/11/2022



Level 2 plant room and Paul St retaining wall 21/11/2022



Western Stairs slab preparation 21/11/2022