

10.11.North Sydney Olympic Pool Redevelopment Project Update

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ENDORSED BY	Therese Cole, Chief Executive Officer
ATTACHMENTS	1. CONFIDENTIAL - NSOP Redevelopment Report 26 May 2025 [10.11.1 - 8 pages]
CSP LINK	2. Our Built Infrastructure 2.1 Infrastructure and assets meet diverse community needs

PURPOSE:

This report provides Council with an update on the North Sydney Olympic Pool Redevelopment Project.

EXECUTIVE SUMMARY:

- The revised contractual date for Practical Completion of the project remains 11 July 2024. Councils' contractor (Icon) has recently provided an updated program indicating a Practical completion date of 30 October 2025, which reflects a further two months of program slippage since the last report.
- The revised construction contract sum is currently \$92.16m. The total project costs remain within the forecast costs to completion of \$122m, however Council is aware of further variations that have not been submitted and increased consultants' costs due to delay.
- Icon has commenced legal proceedings against Council; Council's legal representatives will take carriage of the matter under instruction from Council. Council is continuing with separate legal action against Brewster Hjorth Architects.

RECOMMENDATION:

- 1. THAT** the meeting be closed to the public in accordance with 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 and because consideration of the matter in open Council would be, on balance, contrary to the public interest as it would affect Council's ability to obtain value for money services.
- 2. THAT** the confidential report and related attachments be treated as confidential and remain confidential unless Council determines otherwise.
- 3. THAT** Council note the contents of this report in relation to the redevelopment of the North Sydney Olympic Pool.

Background

Construction for the redevelopment of North Sydney Olympic Pool commenced 9 March 2021. The project scope includes the construction of a grandstand seating 970 people, a 50m outdoor pool, a family leisure pool with splash play, change facilities, 1,100m² gym, 120m² creche with 95m² outdoor play area, a 25m indoor pool, a warm water pool, spa and sauna facilities, an internal café, a retail shop, and reconstruction of the former 'Ripples Cafe'.

The last formal report in relation to this project was provided to Council on 28 April 2025.

Report

On-site Progress

Council's contractor (Icon) is progressing works onsite, however the date for the completion of the project and handover to Council is being impacted by continuing program slippages.

The installation of skylights to the upper roof over the 25m pool has commenced and preparation work is being finalised for the installation of the ceiling over the indoors pools. The lower roof structural steel roof over the grandstand is now complete, with guttering and lining now installed. The access ramp to the eastern stair tower has been installed and is the last major installation within this section.

Floor and wall tiling of amenities across the site is substantially complete. The Program Rooms on level 1 are nearing completion, with interior linings installed. The tiling of the Hall of Fame floors and other finishes in the Hall are complete. The tiling of the children's outdoor pool is well progressed, and the balustrades on the grandstand and the sundeck are being erected.

Final painting and electrical connections of Level 1 and level 2 plantrooms are complete. Preliminary board testing is in progress and commissioning programs are being finalised.

Contract

The revised contractual date for Practical Completion remains 11 July 2024. Icon has recently provided an updated program indicating a Practical Completion date of 30 October 2025, which reflects two months' program slippage in the last month. Icon report that two major trades leaving the project have substantially contributed to this most recent delay.

As noted in the previous report to Council, Council's Programmer advised that, based on current rates of progress, task slippage, and current levels of onsite attendance, Icon may not achieve Practical Completion until late November 2025. This was prior to Icon advising of the major trades leaving the project.

Icon have submitted six Extension of Time Claims since the last report to Council. The Superintendent has assessed five of these claims to be nil days and is currently assessing another claim for 20 days. Icon have now submitted a total 165 claims for Extension of Time

for the project. As previously noted, the contractual date of Practical Completion remains 11 July 2024.

A further 55 Requests for Information (RFIs) have been submitted since the last report to Council, bringing the total number of RFIs on the project to 1,910. Council's project team has closed out 1,864 of these RFIs and is working on another 46. The project remains subject to large numbers of RFIs due to the 'construct-only' nature of the contract, latent conditions, design, and contractual issues.

Council's project team continues to be focused on ensuring that quality issues are being addressed by Icon and is conducting regular inspections and documenting work that is defective or non-compliant to specifications. There were 86 outstanding quality issues open at the end of April 2025.

A further 13 variation claims have been received since the last report to Council, taking the total number of variation claims lodged by Icon to 451. There are currently 78 variations under assessment and the details of these are included within the confidential attachment to this report.

Council is aware of a further 137 possible variation claims worth approximately \$4.5m that Icon has not yet submitted. It is anticipated that variation claims will continue until the end of the project due to design and contractual issues.

The revised construction contract sum is currently \$92.16m, which includes \$217.9k of variations that have been agreed and closed since the last report. The details of these variations are listed below.

Variation Number	Description	Assessed Amount
217	L1 East Drainage - Geotechnical Test (Latent Conditions)	\$ 1,045
282	Timing Pads Cabling (Client Directed)	\$ 25,653
385	Cost to remove contaminated ground (Latent Conditions)	\$ 111,765
419	Ripples Café Brickwork Wall Remediation (Latent	\$ 51,293
483	Stair 03 Scaffolding Over Hire (Client Directed)	\$ 869
497	Upper Roof NW P2 Purlin Notches (Design Change)	\$ 25,343
522	Kiosk Fitout Fire Services (Client Directed)	\$ 1,983
Total Value of Assessed & Agreed Variations		\$ 217,950

Total Costs to Completion

The total project costs remain within the forecast costs to completion of \$122m, which includes consultancy and design costs, client fitout, and development costs. It should be noted that this forecast was provided to Council in February 2024 with an anticipated date for project completion of December 2024

Legal Action

Icon commenced legal proceedings against Council on Tuesday 6 May 2025. A copy of the Summons and List Statement filed in the Supreme Court on 5 May 2025 has been provide to Council's legal representatives, who will take carriage of the matter under instruction from Council. Council is continuing with separate legal action against Brewster Hjorth Architects. Further information in relation to this matter is provided within the confidential attachment to this report.