

**Proposed Fit-out of New Leased Premises
for the Australian Customs Service at
Sydney International Terminal, Sydney**

MARCH 2003

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1. IDENTIFICATION OF THE NEED

1.1 Objectives

1.1.1 The Australian Customs Service (“Customs”) vision is to be a world leader in customs administration delivering high quality service to the community, industry and commerce.

1.1.2 Customs has three principal roles:

- To facilitate trade and the movement of people across the Australian border while protecting the community and maintaining appropriate compliance with Australian law;
- To efficiently collect customs revenue; and
- To administer specific industry schemes and trade measures.

1.1.3 The client services charter outlines our commitment to providing quality service to all of our clients. Our clients are:

- the Australian community
- government
- industry
- travellers
- other government agencies.

1.1.4 Customs is seeking to consolidate its two main office sites within Sydney, i.e. the existing Link Road and 477 Pitt Street premises into one purpose built facility in the Sydney region located in the Airport precinct.

1.1.5 Customs is expecting to realise a number of operational and administrative efficiencies by consolidating its activities into one site. These include:

- A cost effective property solution
- Advantages from technological improvements in services
- Efficiencies in infrastructure, eg training facilities, staff amenities, conference/meeting facilities and floor layout
- Inclusion of Customs requirements into base building, eg air conditioning and other services
- Enhanced corporate identification
- Consolidation of public contact areas for clients into one counter
- Operational work allocation and resource utilisation efficiencies.

1.2 Historical Background

1.2.1 Customs has occupied the Pitt Street premise since 1992 and the Link Road premise since 1989.

1.2.2 Customs has a gross lease at the Pitt Street premise, which is due to expire on 28 February 2003. Customs occupies 8791m² of office space in the Pitt Street premise at a rate of \$370m² per annum for levels 3 and 4 and \$380 per m² per annum for levels 5 and 6, 68.9m² of storage space at \$220 per m² per annum and 25 car spaces at \$390 per bay per annum as part of its current lease.

1.2.3 To achieve an extension of the lease at Pitt Street, Customs negotiated a revised lease for the Pitt Street premise effective 1 March 2003 till 31 December 2004, which necessitated a reduction in office space. Customs will occupy 5191.5m² of office space at an initial rate of \$440 per m² per annum, 207m² of storage space at \$220 per m² per annum and 14 car spaces at \$420 per bay per annum.

- 1.2.4 The lease on the Link Road premise is a net lease and is due to expire on 30 June 2003. Customs occupies 4391m² of office space and common areas in the Link Road premise at a rate of approximately \$175 per m² per annum and 1241 m² at \$75 per m² for the basement.
- 1.2.5 Link Road lease arrangements are currently being negotiated with Sydney Airports Corporation Limited.
- 1.2.6 In late August 2001 Customs advertised an Expression of Interest (“EOI”) to lease suitable office accommodation in the area from the Central Business District through to the Port Botany locality for a term of ten years with two five-year options. Forty-two responses were received to the EOI. Following an initial assessment and site inspections, ten sites were short-listed to proceed to Stage 2.
- 1.2.7 In early October 2001, Customs issued Stage 2 to the ten short-listed sites seeking a response to a detailed building brief. Customs sought approximately 12,000 - 13,000m² of office space with the ability to expand by approximately 2,000 – 3,000m² of office space.
- 1.2.8 Seven tenders were received in response to the Stage 2 invitation. An evaluation against advertised evaluation criteria was conducted and the preferred site was selected.
- 1.2.9 Customs and Airport Nova Developments Pty Limited (“the developer”), a wholly owned subsidiary of Sydney Airports Corporation Limited set up as a special purpose vehicle for this office development project, signed a modified Commonwealth Agreement to Design, Construct and Lease (“the Agreement to Lease”) on 22 November 2002.
- 1.2.10 The Lease is to commence on 30 June 2004 for a period of ten years with two five-year options.

1.2.11 On 10 October 2002, Customs referred the Works to the Parliamentary Joint Committee on Public Works (“the Committee”) as works estimated to be between \$2m and \$6m. In estimating these costs, Customs excluded some items it was advised were not permanent fixtures. On 12 December 2002, the Committee requested that the project be referred formally to the Committee.

1.3 Need

1.3.1 The need for the proposed new site is driven by Customs objective of consolidating its operational activity in Sydney in one site and the anticipated operational benefits to be realised from such a proposition. Customs also expects to achieve a cost effective property solution by consolidating its two main offices to one site. A further driving factor in deciding to collocate the two current premises into one site is that the Link Road building, which was expected to be demolished, requires in addition to ongoing air quality and air conditioning problems, significant repairs annually at Customs cost. Consequently Customs would need to find alternate accommodation for its employees located at Link Road.

1.4 Options considered

1.4.1 Customs considered the following options for office accommodation within the Sydney area:

- Remain in the existing two locations

This option was not considered to be feasible as the Link Road building is expected to be demolished within a few years to enable expansion of the Sydney International Airport. The Link Road building requires, in addition to ongoing air quality and air conditioning problems, significant repair annually at Customs expense. Therefore, Customs would need to find alternate accommodation for staff occupying the Link Road building.

- Find replacement accommodation for Link Road office only

This is not considered an appropriate solution as it reinforces inefficiencies in Customs operations and administration by maintaining two separate sites for Customs operations. The anticipated efficiencies are important drivers in the decision to collocate.

- Relocate Link Road accommodation to Pitt Street

There were concerns with this proposal, including:

- (a) cost, as the rent on the Pitt Street offices was more expensive than the Link Road building;
- (b) whether there was sufficient office accommodation within the building; and
- (c) access for our clients would not be as readily available as Link Road.

This was one of the alternatives examined as part of the EOI and Stage 2 processes.

- Collocate Pitt Street and Link Road offices

This option was assessed as being the most desirable as it enabled Customs to achieve a number of operational benefits in addition to achieving a cost effective property solution and obtain a purpose built facility for its operations within the region.

1.5 Reasons for adopting proposed course of action

1.5.1 Customs decided to collocate its two current offices at Pitt Street and Link Road into one site as it saw significant benefits in the option from an organisational perspective, including cost and operational efficiencies, and for its employees by seeking a purpose built facility to lease located in an area where clients could readily access the site. Further, Customs believes that there are also additional operational efficiencies to be realised from having its main office building in close proximity to its other main site at Sydney International Airport.

1.6 Description of proposal

1.6.1 The development is proposed on a 1.3 hectare site fronting Cooks River Drive in the International Terminal precinct at Sydney Airport. The site is approximately 300 meters north-west of the existing Sydney International Terminal building. The premises will be designed and built to meet the Building Code of Australia and the expected nominal economic life is 40 years.

1.6.2 The premises comprises:

- office accommodation of approximately 15,000 m²,
- 10 storeys high,
- 8½ storeys of office space,
- 1½ storeys of car parking,
- approximately 82 car parking spaces within the premises for operational vehicles, and
- 15 visitors car parking spaces outside adjacent to the premises, including disabled parking.

- 1.6.3 Customs will occupy 7½ floors of office space totalling 13,127m² at a rate of \$340 per m² per annum, 280m² of storage space at a rate of \$200 per m² per annum and 70 car spaces. The 15 visitors car parking spaces outside adjacent to the premises, including disabled parking, meet Customs stated requirement. The additional floor of approximately 1852m² will be available for Customs for additional expansion if staffing increases occur.
- 1.6.4 Site/location plans and floor plans are attached at Annexure A. See plans 02-116 ACS SK 100 – 105.
- 1.6.5 Customs will lease the new office accommodation for ten years with two five-year options and will be undertaking an office fit-out. The Agreement to Lease specifies the commencement date for the Lease as 30 June 2004.
- 1.6.6 The works to be undertaken include:
- Integration of services into the base building works, including electrical, mechanical, communications, security, fire and hydraulic services. Some of the services include: Some building security monitoring; Lighting with perimeter controlled lighting; Data installation is compatible with Customs requirements and to specified requirements; Flexible air-conditioning zoning to enable ease of change with spare capacity for additional package units; and Spare electrical capacity within the floor distribution boards to allow for the fitout without having to add floor distribution boards.
 - The fit-out to meet Customs specific requirements of the premises.
 - Architecturally designed office accommodation including construction of public counter, general office areas, computer facility, meeting rooms, utilities, store, kitchen, first aid room, carers room, conference and training facilities.

- 1.6.7 Building specifications were sought in the Stage 2 process against the DOFA Commonwealth Building Brief. Modifications have been made to this brief during negotiations with Sydney Airports Corporation Limited. All essential items have been met.
- 1.6.8 Fit-out design and specifications meet the Disabilities Legislation requirements both in respect to access for clients and staff including wheel chair access to the building and office areas, door widths and height, lift arrangements, parking, toilets and access to counter facilities.
- 1.6.9 The fit-out will be designed to conform to the Customs “Draft National Space and Fitout Standards and Guidelines.” (“Customs Guidelines”).
- 1.6.10 The fit-out will also be designed to the cost estimate provided by the Quantity Surveyor, Wilde and Woollard. See Annexure B.

1.7 Environmental Impact Assessment

- 1.7.1 A full environmental assessment has been undertaken by the developer and is contained in Sydney Airports Corporation Limited “Office Development International Terminal Precinct Sydney Airport Major Development Plan” (“the SAMDP”). Issues covered include transport, flora and fauna, cultural heritage, hazard and risk management, socio-economic issues, water quality, noise and vibration and waste generation.
- 1.7.2 Sydney Airports Corporation Limited is also required to comply with the provisions of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) and state that the matters of national significance identified in the EPBC Act would not be affected by the proposed office development.

1.7.3 The SAMDP states:

“The assessment of the traffic impact indicates that the additional traffic associated with the proposed development would have minimal impact on the traffic conditions on the arterial road network around the Airport in the morning peak hour, with only a small increase in the traffic volumes using these roads. Minimal impacts during the evening peak hour are also envisaged. For traffic exiting the proposed office development in peak hours to Cooks River Drive adjacent to the exit plaza from the public car park, there are adequate gaps in the one-way traffic on Cooks River Drive to easily absorb the additional estimated 73 vehicles per hour.”

“SACL maintains a flora register of all species known or expected to be present on the Airport. The register includes species listed under the EPBC Act 1999 and lists significant and sensitive sites on the Airport. A review of the register indicates that the proposed development site does not contain any significant species, nor is it located within a significant or sensitive site identified in the *Sydney Airport Environment Strategy* (SACL 1999b).”

“An archaeological investigation carried out by Haglund and Associates (1990) as part of the environmental impact assessment for the Third Runway at Sydney Airport and a more recent archaeological investigation (Biosis Research 2001) concluded that there are no prehistoric or historic Aboriginal sites within the Airport boundary. The construction of the proposed office buildings thus would not have any impact on registered Aboriginal sites.”

1.7.4 The building brief details Commonwealth requirements for environmental issues. The building brief states that the building is to comply with the applicable requirements of:

- *The Environment Protection (Impact of Proposals) Act 1974*
- Requirements of the Local Planning Authority
- Responsibilities to other conservation bodies
- Regulations and instructions of the Environmental Protection Authority.

1.8 Heritage considerations

1.8.1 Customs will lease the office accommodation for ten years with two five-year options and will be undertaking an office fit-out.

1.8.2 Aspects relating to heritage considerations are contained in the SAMDP. The SAMDP states:

“An archaeological investigation carried out by Haglund and Associates (1990) as part of the environmental impact assessment for the Third Runway at Sydney Airport and a more recent archaeological investigation (Biosis Research 2001) concluded that there are no prehistoric or historic Aboriginal sites within the Airport boundary. The construction of the proposed office buildings thus would not have any impact on registered Aboriginal sites.”

The SAMDP also states that there are three sites of European heritage significance within the Airport boundaries. The proposed development would have no impact on these sites. The proposed site would also not impact on the additional sites being identified by the Australian Heritage Commission. The proposed building would also not impact on heritage recommendations contained in the *Alexandra Canal Master Plan* (SSDC 2001).

1.8.3 The building brief also details specific requirements in respect of heritage issues that are to be met. The building brief states that the building is to comply with the applicable requirements of:

- *The Australian Heritage Commission Act 1975*
- Heritage requirements (If applicable)
- The building shall be sympathetic to its surroundings especially if close to a Historic Building or precinct
- Requirements of the National Trust (If applicable).

1.9 Details of organisations consulted

- 1.9.1 The issue of organisations consulted is contained in the SAMDP.
- 1.9.2 Customs has consulted with the Australian Quarantine and Inspection Service (“AQIS”) regarding its requirements for the public counter on the ground floor. AQIS has had a staff presence on the Customs public counter at Link Road for a number of years to provide a streamlined service for clients of both Customs and AQIS.
- 1.9.3 Customs established in 2001 a Project Control Group (“PCG”) to oversight the Project Team managing the day-to-day planning for the project. The PCG comprises the New South Wales Regional Director, two Regional Managers, the Director National Property Services and the Director Corporate Support.
- 1.9.4 Customs has developed a Communication Strategy for internal and external consultation. The internal consultative framework includes both formal and informal means of communication and consultation with managers, staff and the Community and Public Sector Union (“CPSU”). The Communication Strategy includes:
- (a) Briefings for managers and staff,
 - (b) Work area involvement in the development of the requirements,
 - (c) Information sessions for staff,
 - (d) A comprehensive intranet site containing information and relevant pictures and providing staff with the opportunity to ask questions and provide feedback, and
 - (e) The establishment of a Reference Group comprising both work area representatives, CPSU representatives, an Occupational Health and Safety representative and appropriate consultants. The Reference Group was established in February 2003 and will meet monthly to examine agreed aspects of the project and feedback from staff.

- 1.9.5 Staff information sessions will be conducted during March to brief staff directly on the project and the proposed future direction and obtain feedback from staff. Members of the Project Team, consultants and Reference Group members will be involved in the information sessions.
- 1.9.6 Specific concerns raised by staff and the Reference Group have mainly focused on provision of food within the building, provision of child-care facilities within the building, staff car parking arrangements, and the additional travel costs and time to the new premises. In recognition of the last point, Customs has agreed with staff and the CPSU a one-off lump-sum payment for staff required to move to the new premises.
- 1.9.7 External clients will be consulted through the network of current consultative forums and electronic means.
- 1.9.8 The Department of Finance and Administration was consulted in relation to the development of the submission.

1.10 Amount of revenue, if any, derived from the project

- 1.10.1 There is a saving in property operating expenses to be realised from collocating to one site.
- 1.10.2 Customs negotiated a monetary incentive with Sydney Airports Corporation Limited of \$2 million. This incentive is in the form a four months rent free period on the new premises with the balance to be taken as rent free against the Link Road premise.
- 1.10.3 In addition, Customs negotiated arrangements for staff car parking at no charge for a three-year period.

2. TECHNICAL INFORMATION

2.1 Location

2.1.1 The development is proposed on a 1.3 hectare site fronting Cooks River Drive in the International Terminal precinct at Sydney Airport. The site is approximately 300 meters north-west of the existing Sydney International Terminal building. See Annexure A, figure 02–116 ACS SK 100.

2.2 Scope of Work

2.2.1 Customs will lease the office accommodation for ten years with two five-year options and will be undertaking an office fit-out.

2.2.2 The works include:

- Base Building - Integration of services into the base building works, including electrical, mechanical, communications, security, fire and hydraulic services. Some of the services include: Some building security monitoring; Lighting with perimeter controlled lighting; Data installation is compatible with Customs requirements and to specified requirements; Flexible air-conditioning zoning to enable ease of change with spare capacity for additional package units; and Spare electrical capacity within the floor distribution boards to allow for the fit-out without having to add floor distribution boards.
- Tenant fit-out above base building will be undertaken to conform to the Customs Guidelines, include:

- The fit-out to meet Customs specific requirements of the premises, including:
 - Investigations evidence rooms,
 - Operation rooms, and
 - Control room.

- Architecturally designed office accommodation including:
 - Construction of a single public counter on the ground floor including meeting rooms and a public waiting area,
 - A security controlled access point for the building on the ground floor,
 - General office fit-out with some fixed partitioning and open plan work areas around the perimeter of each floor close to the windows,
 - Standard workstations are 4.32 m² (1.8m x 2.4m) configured in an L shape,
 - Double workstations are twice the standard size at 8.64 m² (1.8m x 4.8m). This allows flexibility for changes in workstation configuration.
 - Enclosed offices range from 22 m² for the Regional Director to 16.15 m² for other offices,
 - Computer room built to specifications including separate air-conditioning,
 - Meeting rooms on each floor of varying sizes of between 4 m² and 16 m² with the ability to convert two x 16 m² rooms into one larger room. The smaller rooms allow for quiet spaces for individuals to concentrate on tasks, make conference calls with one or more people or enable supervisors to discuss matters in privacy,
 - Storage facilities, including personal storage at each work point, common storage on each floor, and storage in two areas on levels 1 and 2 for furniture, equipment, file and other items not frequently accessed,
 - Conference and training facilities, including computer training rooms with sound attenuations,

- A first aid room,
- Utilities rooms on each floor,
- A carers room,
- Kitchens on each floor,
- Gymnasium, and
- Showers and Lockers.

2.2.3 Corporate space will be located away from the building perimeter against the building core to enable open office planning.

2.2.4 The fit-out concept provides for open areas on each floor for informal gatherings or meetings away from the workplace. Café style seating and possible lounge seating could be provided to also provide staff with areas to have lunch away from the workstation adjacent to kitchen areas.

2.2.5 As the building has not been constructed, floor plans have not been finalised at this stage. See figures 02–116 ACS SK 101 – 105.

2.3 Site Selection and Site Description

2.3.1 Customs undertook a two-staged tender process commencing in late August 2001 to lease office accommodation for a ten-year lease term with two five-year options. Forty-two responses were received to Stage 1 of the tender process. Following an initial assessment and site inspections, ten sites were short-listed to proceed to Stage 2.

2.3.2 In early October 2001, Customs issued the Stage 2 documents to the ten short-listed sites seeking a response to a detailed building brief. Customs sought approximately 12,000 – 13,000m² of office space with the ability to expand by approximately 2,000 – 3,000m² of office space.

2.3.3 Seven tenders were received in response to the Stage 2 invitation. An evaluation against advertised selection criteria was conducted and the preferred site was selected.

2.3.4 The development is proposed on a 1.3 hectare site fronting Cooks River Drive in the International Terminal precinct at Sydney Airport. The site is approximately 300 meters north-west of the existing Sydney International Terminal building. See figure 02-116 ACS SK 100.

2.4 Zoning and Approvals

2.4.1 The issue of zoning and approvals is contained in the SAMDP.

2.4.2 The Development Application Approval was given on 20 August 2002.

2.4.3 Customs will be undertaking the internal office fit-out of the premises. Approval for the works will be obtained through Sydney Airports Corporation Limited and the Airport Building Controller. This approval has not been obtained as fit-out plans have not been completed. The Agreement to Lease details the procedures involved.

2.5 Land Acquisition

2.5.1 A Land Acquisition form has been completed.

2.6 Codes and Standards

2.6.1 All relevant Building Codes of Australia and reference standards will be met.

2.7 Planning and design concepts and their basis including: Structure; Materials and finishes; Mechanical Services; Hydraulic Services; Electrical Services; and Landscaping.

2.7.1 These issues are contained in the SAMDP. The following is a summary of some of the key issues highlighted in the SAMDP:

- The building will be 10 storeys high (with two levels of parking). The overall height above ground level will be 48.7 meters. The building height is consistent with the application of the OLS control for this area of 51 meters.
- The typical ceiling height will be 2.7 meters. The ground floor level will be 3.0 or 3.5 meters AHD which would give adequate clearance in relation to Sydney Airports Corporation Limited flood immunity criteria.
- The floor will be designed to accommodate standard live loads for office buildings with areas for compactus storage and safes, and a gymnasium.

2.7.2 The building brief agreed between the parties during negotiations also contains detailed relevant information on these matters, as proposed in the building brief and Sydney Airports Corporation Limited tender. The building brief contains details of external and internal finishes.

2.7.3 The building brief requires:

- The building entrance shall provide an identifiable address point containing the following:

- Automatic entry doors complete with:-
 - sliding mechanism, activators
 - control panel
 - safety sensor
 - Airlock (dual doors)
 - entry doors must not be designated as fire exits and as such must not open automatically on power failure.
- Directory board
- Recessed door mats to each area entry. (min. size 1500 x 1500) without impediment to wheelchair users. Mats to be "Nuway type or equal approved.

2.8 Acoustics

2.8.1 The building brief contains an acoustics report on the building provided by Sydney Airports Corporation Limited.

2.8.2 The building brief requires:

- (i) The design shall achieve an internal maximum background noise level to all Office Areas, Conference rooms and Training Rooms of 65 dBA; and
- (ii) For noise entering at the main entry doors a Leq level of 50 dBA at three metres from the closed door shall not be exceeded in any ten minute period.
- (iii) Noise levels inside the tenancy area shall not exceed the maximum design sound levels recommended in AS2107.
- (iv) Plant noise release to outside of the building shall not exceed local authority requirements or levels likely to cause complaints from neighbours or the public.
- (v) External noise levels shall not exceed 55dBA in any external location normally accessible to staff.
- (vi) Acoustic treatment to prevent external noise breaking into the building via mechanical services.

2.9 Energy Conservation measures – including targets

2.9.1 Customs has sought a number of energy efficient measures in the building brief, including:

- Glazing to comply with SAA Glass Installation Code AS 1288;
- External shading to prevent direct sunlight penetration where required;
- Acoustic efficient levels;
- Roof insulation; and
- Designated waste and recycling areas within the building.

2.9.2 Customs provides guidelines for energy efficiency for buildings intended for lease. These guidelines were considered when refining the building brief.

2.9.3 The building brief indicates that the measures included will provide a four star rating on the SEDA scale and the Developer has acknowledged they will meet this standard in its design.

2.9.4 Energy Conservation is contained in the SAMDP. The aspects identified in the SAMDP that will assist in achieving an energy efficient system, include:

- Orientation of the building and external shading on sun-affected elevations;
- High level of natural light; and
- Floor layout and plates for flexibility.

2.10 Master planning and site planning considerations – future developments

2.10.1 The SAMDP refers to the need to develop the airport Master Plan by 31 January 2003. Sydney Airports Corporation Limited has advised that the Master Plan is now expected to be finalised by June 2003. In the interim, Sydney Airports Corporation Limited planning framework continues to be based on earlier planning documents which are updated to reflect current issues. The framework established over the last ten years includes:

- Sydney Airport Draft Planning Strategy (1990) (DPS);
- Sydney Airport Draft Planning Strategy Supplement (1993) (DPSS); and
- Sydney Airport Land Use Strategy (1999).

2.10.2 The SAMDP states that the proposed development is consistent with Sydney Airports Corporation Limited planning objectives, in that it provides an optimum medium to long-term use of the site.

2.10.3 Sydney Airports Corporation Limited state that the above mentioned strategies include commercial development as a key element in the planning and development of Sydney Airport.

2.10.4 In the DPS it was observed that:

One of the FAC's goals for Sydney Airport is that the airport should function economically and generate sufficient revenue to support current operations and long-term development. The airport already supports substantial commercial development activities and the Planning Strategy outlines opportunities for further development. Many of these opportunities are available now; others will be generated by future market demand. (Sinclair Knight/Bechtel Aviation 1990, 10-1)

And

‘.. the unique attributes of the airport as a business location, with both a national and world focus, are to be developed.... Development at the airport can create a vibrant commercial environment if the synergy between complementary commercial activities is fostered. A range of facilities such as offices, hotels, and trade marts, act together to provide a completed range of services to the business community. ...The presence of major corporate organizations is an important attraction for further development, and they should be treated as anchor commercial tenants’ (Sinclair Knight/Bechtel Aviation 1990, 10-1)

2.10.5 In the DPSS it was concluded that:

The commercial development opportunities outlined in Section 10 of the Draft Planning Strategy remain. The FAC continues to support this development to meet one of its corporate goals. This goal is to ensure that the airport should function economically and generate sufficient revenue to support current operations and long-term development. (Sinclair Knight/Bechtel Aviation 1993, 27)

2.10.6 The DPSS was intended to provide the planning framework for the development of Sydney Airport until 2010.

2.11 Provisions for people with disabilities

2.11.1 The building brief details a number of requirements for people with disabilities.

2.11.2 The building brief requires:

- Persons with disabilities shall have access to buildings occupied by the Commonwealth, without unnecessary segregation or isolation from other users;

- The building shall be designed to the latest editions of the following:
 - AS1428.2. The building will comply with the mandatory parts of the code under the Building Code of Australia.
 - NBTC notes on the Science of Building Nos 200 to 207 "Access for Disabled People".
- Disabled parking for the public and staff;
- A separate disabled toilet on each floor; and
- Suitable access to the building.

2.11.3 Customs fit-out will be designed on the basis of the Customs Guidelines. The Customs Guidelines also make specific reference to accommodation complying with Australian Standard AS1428.

2.11.4 Customs will be engaging the services of an Access consultant to advise in this area to ensure requirements are met both in the base building works and internal office design.

2.11.5 Aspects relating to provisions for people with disabilities are also contained in the SAMDP.

2.12 Heritage Issues

2.12.1 Aspects relating to heritage considerations are contained in the SAMDP. The SAMDP states:

“An archaeological investigation carried out by Haglund and Associates (1990) as part of the environmental impact assessment for the Third Runway at Sydney Airport and a more recent archaeological investigation (Biosis Research 2001) concluded that there are no prehistoric or historic Aboriginal sites within the Airport boundary. The construction of the proposed office buildings thus would not have any impact on registered Aboriginal sites.”

The SAMDP also states that there are three sites of European heritage significance within the Airport boundaries. The proposed development would have no impact on these sites. The proposed site would also not impact on the additional sites being identified by the Australian Heritage Commission. The proposed building would also not impact on heritage recommendations contained in the *Alexandra Canal Master Plan* (SSDC 2001).

2.12.2 The building brief also details specific requirements in respect of heritage issues that are to be met. The development is to comply with applicable requirements of:

- *The Australian Heritage Commission Act 1975*;
- Heritage requirements (If applicable);
- The building shall be sympathetic to its surroundings especially if close to an Historic Building or precinct; and
- Requirements of the National Trust (If applicable).

2.13 Child-care provisions

2.13.1 The Customs Family Support policy provides a commitment to enable staff with family responsibilities to be employed without discrimination and, as far as possible, without conflict with their family responsibilities. As part of that commitment Customs will establish a family room in the building.

2.13.2 The Project intranet site also contains information about child-care facilities in close proximity to the new premises.

2.13.3 One of the issues of concern raised by staff is the provision within the building of child-care facilities. Customs has not made provision for child-care facilities within its current planning. Customs is researching the requirements and possibilities for providing the facilities in response to concerns from staff.

2.14 Fire protection and security

2.14.1 The building brief details a number of requirements in relation to fire protection.

2.14.2 The building brief requires:

- Integrated operation of the air handling plant and the building fire protection system is required to meet the current Building Code of Australia and AS1668 part 1 where applicable and in particular Smoke Exhaust and Stairwell pressurisation.
- The building shall be designed and constructed to meet the fire safety requirements of:
 - The relevant State Building Regulations and the Building Code of Australia and AS2118.1 for sprinkler systems.
 - AS2118.1 relating to fire protection;
 - The Brigade requirements;
 - The BCA for fire egress minimum travel distances;
 - AS1668.1 for fire protection in air conditioning design; and
 - The building shall be fitted with Emergency Warning and Inter Communication System installed to AS2220.

2.14.3 Customs internal security advisers will assist with the development of the security requirements for the new building. Customs will also be engaging a security consultant to assist with design, documentation and installation.

2.14.4 Customs will be providing a secure access point for the building. Staff will be required to sign-in and escort visitors within Customs areas. Customs will also provide meeting rooms on the ground floor to enable staff to meet with clients or visitors who do not require access to the secure areas.

2.15 Occupational Health and Safety

2.15.1 Building specifications were sought in the Stage 2 process against the DOFA Commonwealth Building Brief.

2.15.2 The building brief contains a number of occupational health and safety requirements.

2.15.3 Customs fit-out will be designed on the basis of the Customs Guidelines. The Customs Guidelines make specific reference to occupational health and safety issues.

2.15.4 Aspects relating to occupational health and safety are contained in the SAMDP.

2.16 Landscaping

2.16.1 Aspects relating to heritage considerations are contained in the SAMDP.

2.16.2 The building brief details a number of requirements in relation to landscaping.

2.16.3 The building brief requires:

- Landscaping shall be professionally designed low maintenance and at a minimum in accordance with SACL authority requirements;
- Landscaping shall not obstruct vehicle or pedestrian visibility or movements; and
- Landscaping shall:
 - Create privacy and security
 - Control winds
 - Provide shade to paved areas
 - Screen objectionable views
 - Have an automatic watering system consistent with plant requirements
 - Not include small rocks or other objects which may be used as projectiles.

2.17 Consultation

2.17.1 The issue of zoning and approvals is contained in the SAMDP.

2.17.2 Customs will be undertaking the internal fit-out of part of the office area of the premises. Approval for the works will be obtained through Sydney Airports Corporation Limited and the Airport Building Controller. This approval has not been obtained as fit-out plans have not been completed.

2.17.3 Customs has consulted with the AQIS regarding its requirements for the public counter on the ground floor. AQIS has had a staff presence on the Customs public counter at Link Road for a number of years to provide a streamlined service for clients of both Customs and AQIS.

2.17.4 Customs established in 2001 a Project Control Group (“PCG”) to oversight the Project Team managing the day-to-day planning for the project. The PCG comprises the New South Wales Regional Director, two Regional Managers, the Director National Property Services and the Director Corporate Support.

2.17.5 Customs has developed a Communication Strategy for internal and external consultation. The internal consultative framework includes both formal and informal means of communication and consultation with managers, staff and the CPSU. The Communication Strategy includes:

- (f) Briefings for managers and staff,
- (g) Work area involvement in the development of the requirements,
- (h) Information sessions for staff,
- (i) A comprehensive intranet site containing information and relevant pictures and providing staff with the opportunity to ask questions and provide feedback, and

- (j) The establishment of a Reference Group comprising both work area representatives, CPSU representatives, an Occupational Health and Safety representative and appropriate consultants. The Reference Group was established in February 2003 and will meet monthly to examine agreed aspects of the project and feedback from staff.

2.17.6 Staff information sessions will be conducted during March to brief staff directly on the project and the proposed future direction and obtain feedback from staff. Members of the Project Team, consultants and Reference Group members will be involved in the information sessions.

2.17.7 Specific concerns raised by staff and the Reference Group have mainly focused on provision of food within the building, provision of child-care facilities within the building, staff car parking arrangements, and the additional travel costs and time to the new premises. In recognition of the last point, Customs has agreed with staff and the CPSU a one-off lump-sum payment for staff required to move to the new premises.

2.17.8 External clients will be consulted through the network of current consultative forums and electronic means.

2.17.9 The Department of Finance and Administration was consulted in relation to the development of the submission.

2.18 Local impact eg employment

2.18.1 Aspects relating to local impacts, such as employment, traffic, flora and fauna, are contained in the SAMDP.

2.18.2 The increase in employees located at the site is expected to positively impact on patronage of the public transport system both bus and rail. There is a potential increase in trade for businesses with the International Airport and local shopping areas such as Rockdale, Mascot and East Gardens. It is also anticipated that there will be the potential for additional employments as a result of the construction of the building, internal fit-out and manufacture of workstations.

2.19 Project Costs

2.19.1 Customs will lease the office accommodation for ten years with two five-year options and will be undertaking an office fit-out. The fit-out costs will be funded from Customs Budget appropriations over two financial years.

2.19.2 Customs was provided with a budget estimate by the Quantity Surveyor, Wilde and Woollard with explanatory notes. A copy of the budget estimate is at Annexure B.

2.19.3 The budget estimate sets fit-out costs to be \$13,409,000.00. These costs include:

Item	Estimated Cost (\$)
Workstations	2,270,000
Joinery/Fittings/Compactus	2,154,000
Partitions, walls, ceilings, doors and hardware	1,260,000
Services	3,311,000
Preliminaries	365,000
Project Management and consultant fees	1,040,000
Contingencies	500,000
Escalation to completion	500,000
GST	1,219,000
Other	790,000
Total	13,409,000

- 2.19.4 It should be noted that some of the items included in this budget estimate include costs for items which may be reused from the current tenancy, including: whitegoods; gymnasium equipment and some items of loose furniture. There are no items of photographic equipment included in the fit-out works. Further it should be noted that this budget also includes costs for loose furniture items such as chairs, tables, mobile storage units and lockers.
- 2.19.5 Whilst the design has not been commenced for either the base building or the fit out, the rate of \$1,000 per square metre is considered by Customs, Jones Lang LaSalle (The Project Managers) and the Quantity Surveyor to represent an achievable end cost. This rate is at the top end of Governments fit outs (based on information from Wilde and Woollard). The design will be developed to the cost plan using this rate rather than the design being costed after it has been completed. This will further support the end cost being within the stated budget.
- 2.19.6 The tender documentation for the Designers makes it clear that they will be engaged on the basis that should the proposed designs come in over budget they will be required to redesign the fit out at their own cost to bring it back within budget.
- 2.19.7 With the ongoing involvement of the Quantity Surveyor throughout the design development stages the likelihood of the tender being over budget is further reduced.
- 2.19.8 With the implementation of these controls there is confidence in the procurement and deliver systems that the end result will be within budget.

2.20 Project Delivery System

- 2.20.1 Customs will lease the office accommodation for ten years with two five-year options and will be undertaking an office fit-out.
- 2.20.2 The building will be a design and construct to a building brief by the developer.

2.20.3 The fit-out will be on the basis of a traditional lump sum fit-out contract.

2.21 Construction Program

2.21.1 Customs will lease the new office accommodation for ten years with two five-year options and will be undertaking a building fit-out.

2.21.2 The developer will be undertaking construction of the building from late April 2003 until end of June 2004, by its current program.

2.21.3 Fit-out construction by Customs will be undertaken from July 2004. Customs anticipates occupying the building before the end of December 2004.

2.22 Sketch designs

2.22.1 Current site and floor plans are attached at Annexure A.