

Exemption from Tender - Bay Street East Depot - Competitive Design Process for Engagement of Head Design Consultant

File No: X089168.001

Summary

In December 2024, Council endorsed the scope of works for the Bay Street Depot upgrade for progression to required planning approvals, detailed design, documentation and construction of works.

In accordance with the Sydney Local Environmental Plan 2012 the City is required to prepare a site specific development control plan / concept plan (Stage 1 DA), conduct a competitive design process (following determination of the Stage 1 DA) and prepare a development application (Stage 2 DA).

In April 2025, a concept Development Application was lodged. The application is currently under assessment and will be reported to the Central Sydney Planning Committee.

The City will be required to undertake a competitive design process following the determination of the concept (Stage 1) Development Application and prior to the submission of the detailed (Stage 2) Development Application.

This report outlines the competitive design process for the project and seeks an exemption from tender for the selection of competitors to participate in an invited competitive design process and the award of a contract for Head Design Consultant services to the winning competitor.

Recommendation

It is resolved that:

- (A) Council note that in accordance with 6.21D(1)(c) of the Sydney Local Environmental Plan 2012 a competitive design process is required to be undertaken for the Bay Street Depot project;
- (B) Council note the details of the proposed competitive design process to be undertaken for the Bay Street Depot project as outlined in this report and Attachment A to the subject report;
- (C) Council approve an exemption from tender in accordance with section 55(3)(i) of the Local Government Act 1993 for the appointment of the winning competitor (at the completion of the competitive design process) as the Head Design Consultant for the project;
- (D) Council note that an exemption from tender is recommended for the following reasons:
 - (i) an expression of interest process to select suitably qualified companies to provide Head Design Consultancy Services for the project was undertaken in 2022. This process received 44 responses and 5 companies were selected to participate in a selected tender;
 - (ii) it is proposed to invite the 5 companies selected through the 2022 expression of interest to participate in the invited competitive design process noting that these companies are suitably qualified, meet the requirements set out in the City's Competitive Design Policy, and the site specific Design Excellence Strategy;
 - (iii) conducting a tender process would not be consistent with the requirements for the conduct of a competitive design process in the manner proposed for this project; and
 - (iv) the winning competitor of the competitive design process is required to be appointed as the Head Design Consultant in accordance with the requirements of Section 5.1 Design Integrity of the City's Competitive Design Policy;
- (E) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the contracts relating to the competitive design process and engagement of the successful Competitor as the Head Design Consultant; and
- (F) Council be informed of the successful Competitor via the CEO Update.

Attachments

- Attachment A.** Details of Competitive Design Process and Financial Implications (Confidential)

Background

1. The City's Bay Street Depot site is located at 10-16 Bay Street, Ultimo and is the City's oldest working depot, operating continuously from the site for over 100 years.
2. The City has committed funding to the delivery of a major upgrade to facilities at the City's Bay Street Depot site in Ultimo as the next stage of works to modernise depot operations and create a safe, functional, and efficient workplace to serve the north-west and central areas of the Local Government Area.
3. In 2022, an Expression of Interest process to identify suitably qualified companies to participate in a select tender process for Head Design Consultancy services for the Bay Street Depot upgrade was conducted. Forty-four submissions were received, which is a high-quality market response and 5 companies were selected to tender.
4. In May 2023, following the select tender process, Angelo Candalepas & Associates were engaged to provide Head Design Consultancy services. Detailed site investigations, design development and pre-DA consultation were undertaken from mid 2023 to late 2024. During this period it was identified that a competitive design process would be required in relation to the project.
5. In December 2024, Council endorsed the scope of works for the Bay Street Depot upgrade for progression to required planning approvals, detailed design, documentation and construction of works.
6. Planning approvals for the project that are required under Sydney Local Environmental Plan 2021 include:
 - (a) Development control plan / concept plan - Clause 7.20(2)(b)
 - (b) Competitive design process - Clause 6.21D(1)(c)
 - (c) Development application for construction (Stage 2 DA).
7. In April 2025, a concept Development Application was lodged. The application is currently under assessment and is anticipated to be reported to the Central Sydney Planning Committee late 2025 / early 2026.

Competitive Design Process

8. The City of Sydney Competitive Design Policy (Policy), adopted by the Council on 14 December 2020, establishes the processes an applicant is required to undertake to demonstrate that a proposed development is the result of a competitive design process.
9. The Policy requires that the competitive design process is to be undertaken in accordance with a Design Excellence Strategy approved by the Consent Authority as part of a concept Development Application.
10. Subject to approval of the concept Development Application and Design Excellence Strategy, the competitive design process for the Bay Street Depot upgrade project will be undertaken as an invited architectural design competition.

11. Key details of the competitive design process outlined in the Design Excellence Strategy include:

Selection of Competitors

- (a) 5 competitors will be selected and invited to participate.
- (b) Selected competitors will meet the requirements under the Policy and will:
 - (i) demonstrate capabilities in design excellence by being the recipient of an Australian Institute of Architects (AIA) commendation or award in the past 5 years, or equivalent overseas professional association
 - (ii) demonstrate experience on projects that have achieved a high level of sustainable design and achieved high Green Star Design & As Built or NABERS Energy/Water ratings or international equivalent (LEED, BREAM, other)
 - (iii) be a person, corporation or firm registered as an Architect in accordance with the NSW Architects Act 2003 or, in the case of interstate or overseas competitors, eligible for registration with their equivalent association.

Establishment of the Competition Selection Panel

- (a) The selection panel will comprise 4 members with two members nominated by City Planning Development & Transport;
 - (b) Selection panel members are to:
 - (i) represent the public interest
 - (ii) be appropriate to the type of development proposed
 - (iii) include only persons who have expertise and experience in the design and construction professions and related industries and
 - (iv) include a majority of registered Architects with urban design experience.
12. It is proposed to invite the following 5 companies that were shortlisted through the 2022 expression of interest process to participate in the invited competitive design process:
- (a) Andrew Burges Architects
 - (b) Angelo Candalepas & Associates Pty Ltd
 - (c) Choi Ropiha Fighera
 - (d) Neeson Murcutt Architects Pty Limited
 - (e) Smart Design Studio Pty Ltd.

13. The selection of these 5 companies is based on:
 - (a) These companies having been the 5 highest ranked respondents to the City's 2022 Expression of Interest for suitably qualified Head Design Consultants to deliver the Bay Street Depot upgrade project
 - (b) All companies having demonstrated suitable qualifications, capability, and experience (through the 2022 Expression of Interest)
 - (c) All companies meeting the requirements set out in the Design Excellence Policy, and the site-specific Design Excellence Strategy.
14. The competitive design process will commence following the determination of the concept development application.
15. Further details of the competitive design process and financial implications are included in Confidential Attachment A.

Risks

16. The City's risk appetite reflects a balanced consideration of long-term objectives, stakeholder expectations, and the need for robust governance.
17. The competitive design process and recommended approach to the procurement of Head Design Consultant services is within the City's risk appetite, which states:
 - (a) Our risk philosophy is centred around achieving a balance between innovation, community and user satisfaction and risk management, ensuring that we meet our strategic objectives while maintaining a robust control environment.
 - (b) We are committed to conducting our activities in full compliance with applicable laws, regulations and relevant industry standards.

Financial Implications

18. There are sufficient funds allocated for this project within the current year's capital works budget and future years' forward estimates.
19. The estimated fees for the competitive design process and Head Design Consultant contract are outlined in Confidential Attachment A.

Relevant Legislation

20. Local Government Act 1993 - Section 10A provides that a council may close to the public so much of its meeting as comprises the discussion of information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.

21. Attachment A contains confidential commercial information, if disclosed, would:
 - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
22. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.
23. The exemption from tender process is proposed in accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2021.
24. The development application and design competition process will be undertaken in accordance with the requirements of the Environmental Planning and Assessment Act 1979 and the Sydney Local Environmental Plan 2012.

Critical Dates / Time Frames

25. Key dates and works proposed for the competitive design process are as follows:

Early 2026	Concept DA determined (anticipated)
Early-Mid 2026	Competitive design process
26. Key dates and works proposed for the delivery of the Bay Street Depot are as follows:

Mid 2026 - End 2027	Design and documentation
2028 - 2029	Construction of new depot building
Early 2030	New Bay Street Depot operational

Public Consultation

27. Public consultation will incorporate statutory notification periods and exhibition undertaken as part of the Development Application process.

KIM WOODBURY

Chief Operating Officer

Matthew Gribben, Senior Design Manager