



Australian Government

Defence

HMAS *Harman* Redevelopment Project

HMAS *Harman*, Australian Capital Territory

**STATEMENT OF EVIDENCE
TO THE
PARLIAMENTARY STANDING COMMITTEE
ON PUBLIC WORKS**

September 2022

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HMAS *Harman* Redevelopment Project

1. The purpose of this Statement of Evidence is to provide information to the Australian public to comment on, and the Parliamentary Standing Committee on Public Works to enquire into, the works proposed under the HMAS *Harman* Redevelopment Project (the Project).

Executive Summary

2. The aim of the Project is to address existing facilities and infrastructure at HMAS *Harman* (ACT) that are aged and approaching the end of useful life. The Project will provide new and upgraded engineering services infrastructure, new and refurbished office accommodation, an upgraded and expanded base entry precinct, a new gymnasium and refurbished living-in accommodation.

3. The estimated total capital out-turned cost is \$116.4 million (excluding Goods and Services Tax). The cost estimate includes management and design fees, construction, information and communications technology, furniture, fittings, equipment, contingencies and a provision for escalation. As a result of these works, there will be ongoing operating and sustainment costs. No revenue is expected to be generated by these works.

4. Defence, together with the Head Contractor, will promote opportunities for small and medium local enterprises through construction trade packages, providing employment opportunities in the ACT and surrounding regions. There will also be opportunities for Indigenous business involvement in accordance with the Government's Indigenous Procurement Policy.

5. All works will be designed and constructed in accordance with relevant legislation, standards, codes, guidelines and Defence policy. Accredited building certifiers will certify the compliance of the design and completed works.

6. Environmental and heritage investigations have been completed and the Project will not have a significant impact on existing environmental and heritage values.

Purpose of the Works

Aim of the Project

7. The aim of the Project is to deliver fit-for-purpose facilities and infrastructure at HMAS *Harman* that will support essential Defence activities, including administrative and personnel functions to support the Australian Defence Force (ADF).

Location of the Project

8. The Project will be delivered at HMAS *Harman*, which is approximately 13 kilometres south-east of the Canberra central business district in the ACT.

Need for the Project

9. HMAS *Harman* is an enduring base that provides administrative and personnel functions to support Navy personnel in the Canberra region, short term transit and permanent accommodation, physical training and rehabilitation. The base also hosts reserve units from the Australian Army Reserves and Royal Australian Air Force Reserves, as well as all three branches of the ADF Cadets.

10. Existing facilities and infrastructure at HMAS *Harman* are aged, approaching the end of useful life, have capacity and compliance issues, and pose risks to current and future functions on the base.

11. The Project will reinvest in facilities and infrastructure to sustain the existing base, meet evolving base functions and support Navy Administration and Command functions in the Canberra region with increasing workforce demands, whilst maintaining operational efficiency.

Proposed Facilities Solution

12. Defence undertook comprehensive master planning, site investigations, stakeholder consultation, whole-of-life cost analysis and design development to establish the capital facilities and infrastructure works required to address the Project need.

13. Where feasible and a value for money outcome can be achieved, existing facilities and infrastructure at HMAS *Harman* will be refurbished and upgraded. Where this cannot be achieved, it is proposed to demolish existing facilities and infrastructure and replace with new.

14. The Project proposes to deliver new and upgraded engineering services infrastructure, new and refurbished office accommodation, an upgraded and expanded base entry precinct, a new gymnasium and refurbished living-in accommodation.

Options Considered

15. Defence has developed the following four options:

- a. **Option 1 – Do nothing.** Existing facilities and infrastructure at HMAS *Harman* have numerous capacity and compliance issues and risks. This option is not viable as it does not address any of those issues and risks, and it will not sustain the base to support current and future requirements, and is therefore not recommended.
- b. **Option 2 – Minimum scope.** This option would consolidate all administrative and base entry functions into a limited footprint, and provide limited scope for other facilities and engineering infrastructure. This option does not meet Navy's strategic workforce retention requirements and will only partially address strategic objectives that would enable the sustainment of HMAS *Harman*. This option does not adequately address the Project need and is therefore not recommended.
- c. **Option 3 – Prioritised scope.** This option would deliver a separate, refurbished Navy Administration and Command facility and include the Navy Personnel Support Unit scope. However, it does not address all capacity and compliance issues, and would not deliver key administrative or training and rehabilitation facilities required to meet future demand. This option does not adequately address the Project need and is therefore not recommended.
- d. **Option 4 – Full scope.** This option provides fit-for-purpose facilities and infrastructure that will address all capacity and compliance issues and risks, and sustain HMAS *Harman* to support current and future requirements. This option fully addresses the Project need and is therefore recommended.

16. **Preferred option.** Option 4 is the preferred option as it represents the best value for money for the Commonwealth as it addresses the Project needs from a whole-of-life perspective.

Scope of Works Proposed for the Preferred Option

17. The recommended Option 4 includes the following seven Project elements:
- a. **Project Element 1 – Engineering Infrastructure.** The high voltage power network will be reconfigured and upgraded in accordance with the HMAS *Harman* Electrical Master Plan, including new ring mains, intake switching stations, sub-stations and a power control and monitoring system. The scope also includes new trunk infrastructure for information and communications technology.
 - b. **Project Element 2 – Navy Administration and Command Facility.** The existing Navy Administration and Command facility will be demolished and replaced with a new facility, which mainly comprises office working areas and conference facilities, with separation between Command and other functions.
 - c. **Project Element 3 – Base Entry Precinct.** The existing base entry precinct will be upgraded and expanded, including new entry and exit lanes, electronic security access gates with access pass database system, and a guard hut. The existing visitor carpark will be expanded to include a dedicated cadet drop off area.
 - d. **Project Element 4 – Office Accommodation.** An existing office accommodation building that provides administrative support functions will be demolished and replaced with a new facility that will include office working areas, meeting rooms and amenities.
 - e. **Project Element 5 – Navy Personnel Support Unit.** The existing building that houses the Navy Personnel Support Unit will be demolished and the unit will be relocated into another building that will be refurbished and extended to provide a fit-for-purpose facility that supports Navy personnel in the Canberra Region.
 - f. **Project Element 6 – Gymnasium.** The existing gymnasium will be demolished and replaced with a new gymnasium that will include working accommodation, consolidated weights and cardio areas, and a reception area. The new gymnasium will be constructed adjacent to the existing covered basketball court, which will be enclosed to provide a multi-purpose court area for flexible use.
 - g. **Project Element 7 – Living In Accommodation.** Existing living-in accommodation will be refurbished to meet current compliance requirements.

Planning and Design Concepts

18. The general philosophy for the design of the proposed works is based on:
 - a. providing cost-effective, functional, low maintenance, energy efficient design options compatible with proposed functions and existing aesthetics
 - b. adopting, where possible, conventional construction techniques and materials commonly used by the construction industry and consistent with those already used on the base
 - c. promoting, where possible, a sustainable solution responding to local climate, considering the full life cycle of the facilities and infrastructure
 - d. applying appropriate durability measures to reduce ongoing maintenance and achieve the proposed design life
 - e. providing flexible services and infrastructure to accommodate an appropriate level of growth
 - f. meeting the functional requirements for facilities and infrastructure being provided.

Relevant Legislation, Codes and Standards

19. The following legislation, standards, codes and guidelines are applicable:
 - a. *Environmental Protection and Biodiversity Conservation Act 1999 (Cth)*
 - b. *Fair Work (Building Industry) Act 2012 (Cth)*
 - c. *Work Health and Safety Act 2011 (Cth)*
 - d. *Disability Discrimination Act 1992 (Cth)*
 - e. *Fair Work Act 2009 (Cth)*
 - f. *Building and Construction Industry Improvement Act 2005 (Cth)*
 - g. National Construction Code – Building Code of Australia
 - h. Safe Work Australia Codes of Practice
 - i. Defence Estate Quality Management System
 - j. Defence Smart Infrastructure Manual
 - k. Defence Manual for Infrastructure Engineering – Electrical
 - l. Defence Manual of Fire Protection Engineering

- m. Defence Security Principles Framework
- n. Defence Estate Principles of Development
- o. National Capital Authority Development Control Plan.

20. An accredited Building Certifier will certify the compliance of the design and the compliance of the completed works. Construction compliance with the design will be assured using approved quality management systems, which will implement processes such as inspections, audits and independent testing.

Land and Zoning

21. The proposed works are consistent with uses prescribed in relevant Defence zoning instruments, including the HMAS *Harman* Estate Base Plan and the Defence Estate Principles of Development.

22. A Site Selection Board process has been completed in accordance with Defence policy to ensure that the proposed works will not compromise future base development.

23. HMAS *Harman* is included within the National Capital Authority's charter as it is Commonwealth land that is on one of the designated approaches to Canberra and the Parliamentary Triangle. The National Capital Authority monitors the development of HMAS *Harman* through a Development Control Plan. Defence will continue to consult with the National Capital Authority on the design to ensure compliance with the Development Control Plan.

Structures

24. The proposed structures have been designed according to the local geotechnical profile. The proposed new facilities will include a range of structural systems depending on the form and scale of the building with consideration of the local environment, including reinforced concrete and steel framed construction.

25. Smaller facilities being refurbished will extend the existing structural systems that include residential scale brick veneer and lightweight steel framing.

Mechanical Services

26. The mechanical services have been designed according to the function and needs of each building. The proposed mechanical services will meet specific user needs, relevant ventilation, thermal comfort and air quality requirements and the mandatory requirements of the National Construction Code.

Hydraulic Services

27. Existing sewerage and storm water services will be extended to each facility to suit design requirements. Potable water will be connected to the existing supply via sub-metering to each new building. Rainwater will be collected from rooftops, stored in tanks (non-potable) and used for toilet flushing and landscape irrigation.

Electrical Services

28. Lighting, power and lightning protection will be provided in accordance with Australian Standards and Defence engineering requirements. Electrical infrastructure and switchboards will have spare capacity to allow for future growth. Sub-metering will be included to each refurbished and new building. The meters will be monitored through a new base wide Building Management System to allow for greater monitoring and control of energy usage.

Fire Protection

29. Fire protection has been addressed through compliance with the Manual of Fire Protection Engineering and the National Construction Code. Asset classification and criticality has been assessed to determine the fire protection systems to be implemented in all facilities associated with the Project. General upgrades to the fire systems within existing facilities have been included.

30. HMAS *Harman* contains land identified by the ACT Government as bushfire prone. An assessment of the Bushfire Attack Level at locations for new and refurbishment facilities has been completed. Construction of facilities in bushfire prone areas will be in accordance with the Australian Standard to provide appropriate bushfire attack resilience and protection measures.

Security Measures

31. Advice from Defence security authorities has been incorporated in the proposed facilities designs to ensure compliance with the Defence Security Principles Framework. Proposed security services will conform to the existing security system employed by the base.

Acoustics

32. New facilities will comply with the National Construction Code and Australian Standards for noise and acoustics. Acoustic separation has been considered between rooms, and walls are being designed to meet user requirements. Aircraft noise reduction measures will be implemented on facilities located within the Australian Noise Exposure Forecast contours for Canberra Airport.

Work Health and Safety

33. The Project will comply with the *Work Health and Safety (WHS) Act 2011 (Cth)*, Work Health and Safety (Commonwealth Employment – National Standards) Regulations, and relevant Defence policies. In accordance with Section 35 (4) of the *Building and Construction Industry Improvement Act 2005 (Cth)*, contractors will be required to hold full work health and safety accreditation from the Office of the Federal Safety Commissioner under the Australian Government Building and Construction Work Health and Safety Accreditation Scheme.

34. Safety aspects of the Project have been addressed during the design development process and documented in a Safety-in-Design Report. A Work Health Safety Plan will be developed for the construction phase prior to the commencement of any construction activities.

Materials and Furnishings

35. External walls for new buildings will be a mixture of concrete panels and metal cladding with double glazing. A vertical louvre sun screening system will be installed to improve environmental performance of the buildings. Where required, pre-finished steel roofing and rainwater fittings have also been selected for their whole-of-life benefits.

36. Internal walls will be lined with plasterboard. Floors will be a combination of vinyl, ceramic tiles or carpet in occupied spaces with sealed concrete in utility and plant spaces.

Landscaping

37. The proposed new landscape works will complement and enhance the character of each site. Design will focus on a functional, low maintenance, water sensitive approach with the use of Indigenous plants.

Childcare Provisions

38. There is no requirement for childcare facilities under the Project.

Provisions for People with Disabilities

39. Access for people with disabilities will be provided in accordance with the Building Code of Australia, Australia Standard 1428 and the *Disability Discrimination Act 1992 (Cth)*.

Environmental Sustainability

40. Defence is committed to ecologically sustainable development and reducing greenhouse gas emissions. The Project has adopted cost effective measures as a key objective in the design and development of the proposed works. These include:

- a. **Energy targets.** The general target requirement in new Defence buildings as defined in Section J of the National Construction Code. This includes meeting requirements for fabric insulation, glazing performance, artificial lighting systems and energy monitoring.
- b. **Measures to reduce energy and water use.** New facilities are proposed to include solar panels to offset electrical consumption and rainwater capture systems to offset water consumption. Appliances and equipment are specified to achieve minimum energy Australian Appliance Star Ratings. This includes energy efficient lighting and a minimum of four star water efficiency ratings for fittings and fixtures.
- c. **Re-use of existing structures.** Where appropriate, refurbishment of existing facilities has been prioritised over demolition and rebuild options.

- d. **Demolition and disposal of existing structures.** Where demolition and disposal is required, 85% of all construction waste (by weight) will be diverted from landfill through reuse on site or disposal at a licensed facility (excluding material as hazardous waste and/or soil containing contamination). The Project will also restrict the disposal of certain waste types, including concrete, bricks and glass.
- e. **Waste minimisation.** Waste minimisation measures will follow Defence Smart Infrastructure Manual requirements, which requires that all designs consider the minimisation of waste in the planning, design, construction and operation of the Project.
- f. **Material selection.** Materials that minimise waste, enable flexibility in future use and avoid volatile organic compounds and ozone depleting materials will be selected for use where practical. Local materials will also be preferred where practical to minimise transportation.

Potential Impacts

- 41. Defence has conducted rigorous assessments to identify potential environmental and local community impacts, and proposes the following suitable mitigation measures:
 - a. **Visual impacts.** The Project includes in-ground infrastructure that will have limited visual impact. Refurbished buildings will retain visual appearance of existing facilities. New facilities will largely be hidden from public view due to their location and will complement the existing base.
 - b. **Noise impacts.** There will be no material noise impacts to local communities outside of the base. On the base the mechanical plant selection and location of plant rooms within facilities has been designed to minimise the noise impacts on nearby Defence facilities.
 - c. **Heritage impacts.** The Project will demolish two buildings which have some heritage value to Defence, however these buildings are in a dilapidated state, no longer fit-for-purpose and not listed on the Commonwealth Heritage List. An Environmental Assessment confirmed there is no requirement for either building to be referred under the Environmental Protection and Biodiversity Conservation Act 1999 (Cth). The Project will undertake archival recording prior to demolishing these buildings. The Project is not anticipated to impact Indigenous heritage

values. However, local Indigenous representatives will be consulted in accordance with the HMAS Harman Heritage Management Plan.

- d. **Traffic, transportation and road impacts.** The overall population will remain unchanged as a result of the Project. The construction of a new base entry precinct will alleviate existing traffic congestion issues on Woods Lane by providing additional vehicle throughput capacity. The Project will establish a temporary base entry to segregate construction traffic from base users during construction works. The temporary base entry will mitigate traffic safety risks and facilitate an expedited construction program.
 - e. **Existing local facilities.** The Project does not generate any increase or change to the Defence population at the base. Therefore Defence does not anticipate an increased dependency on local facilities and amenities within the base boundaries or the local community.
 - f. **Contamination remediation:** Some of the existing facilities proposed for demolition include asbestos containing material. The demolition of these facilities will be managed in accordance with the Defence Asbestos Management Plan, Work Health and Safety Regulations and Safe Work Australia Codes of Practice for the safe removal of asbestos. Concentration of other contaminants has been assessed and are not considered to pose a risk to human health or the environment, however it remains possible that contamination will be encountered. Appropriate control measures to manage contamination or hazardous materials will be implemented during construction in accordance with relevant legislation and Defence policy.
42. Defence has determined that the Project will not have a significant impact on existing environmental and heritage values and is not required to be referred to the Minister for the Environment and Water under the *Environmental Protection and Biodiversity Conservation Act 1999 (Cth)*.

Consultation with Key Stakeholders

43. Defence has developed a community consultation and communications strategy that recognises the importance of providing local residents and other interested stakeholders an opportunity to provide input into, or raise concerns relating to, the proposed works.

44. Defence has engaged, or will engage, with a variety of internal and external stakeholders during Project development. To support the Parliamentary Standing Committee on Public Works' enquiry into the Project, further consultation will be conducted with:

- a. Federal Member for Bean, Mr David Smith MP
- b. Federal Member for Canberra, Ms Alicia Payne MP
- c. Federal Member for Fenner, Hon Dr Andrew Leigh MP
- d. Senator for ACT, Senator the Hon Katy Gallagher
- e. Senator for ACT, Senator David Pocock
- f. Chief Minister of the ACT, Mr Andrew Barr MLA
- g. Federal Member for Eden-Monaro, Hon Kristy McBain MP
- h. State Member for Monaro, Mrs Nichole Overall MP
- i. Federal Member for Hume, Hon Angus Taylor, MP
- j. State Member for Goulburn, Hon Wendy Margaret Tuckerman, MP
- k. Queanbeyan-Palerang Regional Council
- l. National Capital Authority
- m. Local utility providers, including Evoenergy
- n. Local community, business groups and businesses.

Related Projects

45. The following projects at HMAS *Harman* are related to the Project:
- a. **HMAS *Harman* Water Infrastructure Project** (Medium Works, notified on 8 June 2021). The design of sewer infrastructure will be coordinated to connect the facilities delivered by the Project.
 - b. **Construction of Living-in Accommodation Project** (Medium Works, notified on 24 November 2021). The living-in accommodation scope will be managed to meet the short, medium and long term living-in accommodation requirements at HMAS *Harman*.
 - c. **New Data and Power Facility Project** (Medium Works, notified on 31 January 2022). The design and delivery of electrical infrastructure will be coordinated in accordance with the HMAS *Harman* Electrical Master Plan.

Cost Effectiveness and Public Value

Project Costs

46. The estimated total capital out-turned cost of the Project is \$116.4 million (excluding Goods and Services Tax). This includes management and design fees, construction costs, information and communications technology, furniture, fittings, equipment, contingencies and a provision for escalation.

47. An increase in operating and sustainment costs is expected as a result of the proposed works. This is due to the addition of new facilities and infrastructure which will increase the associated facilities maintenance, cleaning and utilities expenses.

Project Delivery System

48. Defence proposes to retain the incumbent Project Manager / Contract Administrator and Design Services Consultant for the delivery phase of the works.

49. A Head Contract form of contract is planned to deliver the works, with the Head Contractor being appointed to procure trade contractors and manage the construction of the works. The Head Contractor form of delivery provides the Commonwealth with direct control over the design and quality of the Project. The Head Contractor delivery

methodology will also assist to promote opportunities for small to medium enterprises by sub-contracting construction trade packages.

Construction Program

50. Subject to Parliamentary approval, design activities are expected to be completed by mid-2023, with construction expected to commence in late 2023 and be completed by early 2025.

Public Value

51. Defence has comprehensively assessed public value, opportunities and benefit to the community as a result of the proposed works:

- a. **Economic impacts.** The Project expenditure will support the Australian economy, in particular in the construction and professional services sectors in the ACT and surrounding regions.
- b. **Employment opportunities.** The Project will employ a diverse range of consultants, contractors and construction workers, and is expected to generate opportunities for up-skilling and job training to improve individual skills and employability on future projects.
- c. **Local industry and Indigenous business opportunities:** Defence and the Head Contractor will actively promote opportunities for small and medium local enterprises through construction trade packages. The Head Contractor will also develop a Local Industry Capability Plan and an Indigenous Participation Plan to detail how it will engage with and maximise opportunities for local industry and Indigenous businesses, while providing value for money to the Commonwealth.
- d. **Health and Safety:** The Project will reduce health and safety risks at HMAS *Harman*. The Head Contractor will be required to deliver all works in accordance with, but not limited to, National Construction Code – Building Code of Australia guidelines, relevant Australian Standards, Defence Policy and Workplace Health and Safety legislation. Prior to use, an accredited Building Certifier will certify the compliance of the completed works.

Below the Line Items

52. In the event that savings are achieved through tendering or retiring risk provision, Defence proposes to utilise the savings to enhancements that are consistent with the approved Project scope.

Revenue

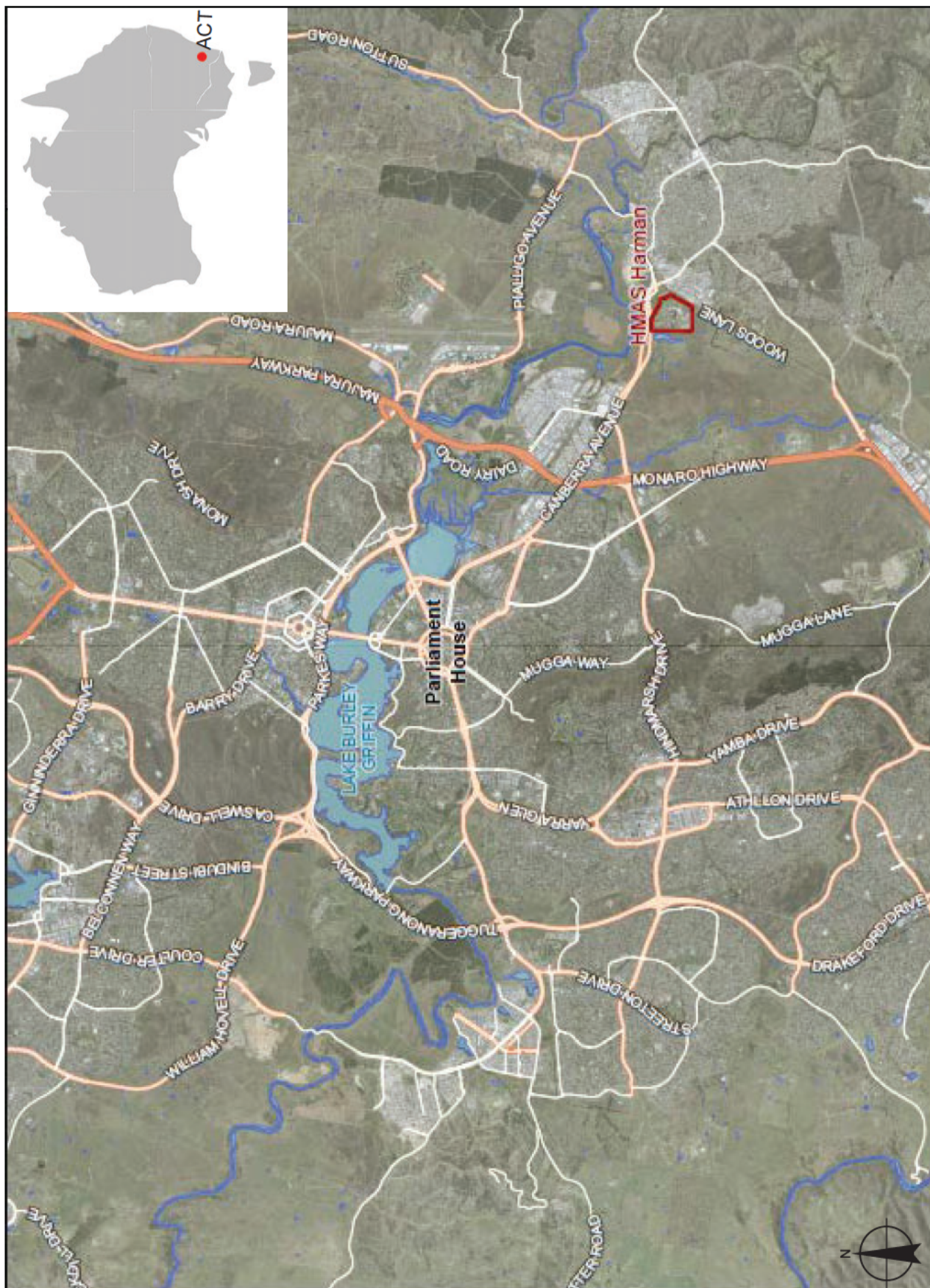
53. No revenue is expected to be derived from the Project.

Attachments

1. Locality Plan
2. Scope Overview

Attachment 1

Locality Plan



Attachment 2

Scope Overview

Navy Administration and Command Facility



Base Entry Precinct



Office Accommodation



Gymnasium

