



CONFIDENTIAL DOCUMENTS:

Seeney and Tate argue below deck on main components of cruise ship terminal

BERTHING PROBLEMS

THE Gold Coast is unlikely to get a cruise ship terminal until at least 2018 with both the Government and the city council in dispute about how to deliver key elements of the project, confidential documents reveal.

Mayor Tom Tate maintains cruise ships will dock on the Coast in two years, previously announcing a Carnival liner is set to dock on September 30, 2015.

Documents obtained under Right To Information show his determination to achieve the deadline, with council officers being secretly briefed on investigating an interim terminal north of Sea World Nara Resort.

But the Government has opposed the move, concerned it could torpedo the bid for a permanent facility.

Deputy Premier Jeff Seeney has privately told the Mayor it will be left to the market place to determine a more realistic date.

State planning bureaucrats list the delivery date as 2018.

They have also warned Mr Seeney of five major risks for the Coast terminal, including potential competition from a cruise ship terminal earmarked for Luggage Point at the mouth of the Brisbane River.

A *Gold Coast Bulletin* report in November last year detailed



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how the Brisbane City Council in its Neighbourhood Plan for Pinkenba-Eagle Farm had set aside a future area for a deep-water cruise ship terminal at the mouth of the Brisbane River.

Other major risks, provided in documents, show government planners have questioned the commitment of the cruise ship industry to a Broadwater port.

They have also acknowledged "community concerns about environmental harm" to the development of Crown land north of Sea World and on Wavebreak Island.

Recent letters between Mr Seeney and Cr Tate also raise questions about which agency will drive the project.

A briefing note to Mr Seeney provided background on the secret Sea World Nara north option, explaining: "Cr Tate has requested his staff investigate an interim cruise ship terminal option." The department had concerns the interim cruise ship terminal "may compromise future developments including a

permanent cruise ship terminal".

It could add unnecessary costs on the State and "as yet provides no certainty on visitations by cruise industry companies".

Bureaucrats questioned its "business case" and estimated initial capital dredging costs could be \$50 million, which would lead the council to ask the state for funds.

The government had provided the new Gold Coast Waterways Authority with a four-year maintenance budget of \$30 million, but that did not include a capital dredging allocation, the note said.

"The interim cruise terminal approach assumes significant risk, in that the council will need to secure commitments from cruise ship companies to use the interim facility. The competitive process currently being developed (for the permanent terminal) transfers this risk to the proponent," the note added.

In a letter to Mayor Tate, Mr Seeney also detailed his concerns about the council's intention of buying back the terminal for \$1, which he argued "poses a risk" to securing a commercial contract.

"I was surprised to read in your letter the council's intention to purchase the cruise ship terminal (once constructed) for \$1," Mr Seeney wrote.

"This poses a risk to the upcoming transaction in that it significantly impacts the commercial viability of a cruise ship terminal.

"Further, it adds a condition to the market place when the success of the approach to market will minimise significantly the conditions we imposed."

Mr Seeney also addressed the council's repeated requests for funding commitments for infrastructure network upgrades linked to the project. "This is inconsistent with the state's "no net cost/no risk" approach to this project," he wrote.

"I propose that we await the responses to the Expression of Interest invitation to assess the extent to which the state and council infrastructure may be impacted."

Cr Tate in a letter to Mr Seeney had reinforced the council's position to exclude Doug Jennings Park at the north of The Spit from the Expression of Interest process.

But Mr Seeney wrote back: "The inclusion of Doug Jennings Park in the land on offer signals to the market that this approach to the market differs from previous approaches and is an invitation to the market to think laterally about what is possible, and to outline this in their EOI."

SECRET LETTERS & MEETINGS

- **SEPTEMBER 20, 2012:** A cruise ship will dock on the Gold Coast on September 30, 2015, if a terminal is ready, says Mayor Tom Tate after securing a verbal agreement from Australia's largest cruise provider.
- **OCTOBER 3, 2012:** Bureaucrats recommend Deputy Premier Jeff Seeney sign off on an agreement with Tate but the project must proceed at "no cost or risk" to the Government, reduce ongoing dredging costs and can be delivered by 2018.
- **OCTOBER 12, 2012:** Seeney is given a briefing note before a meeting with Tate warning the Mayor's interim cruise ship terminal plan may "compromise" a permanent solution and create extra costs.
- **OCTOBER 18, 2012:** Seeney writes a letter of intent to Tate and acknowledges the key to the offer to the market place will be a "Management Deed for state-held land" – selling off Wavebreak Island or The Spit.
- **OCTOBER 26, 2012:** Seeney privately briefs Coast MPs on the project. Because State-owned land will be handed over, they are told "the ultimate point of decision making rests with State Cabinet".
- **NOVEMBER 1, 2012:** Tate writes to Seeney saying he sees the project being finished by 2015 and adds that council has "strong reservations" about Doug Jennings Park.
- **NOVEMBER 2, 2012:** Seeney and Tate publicly announce the Broadwater Marine Project. It could include a cruise ship terminal, casino, residential development and resort on public land.
- **DECEMBER 20, 2012:** Seeney writes to Tate to address "a number of matters". He wants the bidders to set the deadline, is surprised council wants to buy back the terminal for \$1 and refuses to commit funding.
- **MARCH 2013:** Four of eight consortiums announced as proceeding to the second stage of the planning process.
- **MID-2013:** The preferred developer to be selected mid-year.

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