

TOWNSVILLE OCEAN TERMINAL

SUPPLEMENTARY ENVIRONMENTAL IMPACT STATEMENT

RESPONSE TO TAYLOR BYRNE

August 2008

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TAYLOR BYRNE

Note: This submission response document has been prepared by means of duplicating the individual submission received and inserting response clauses where relevant.

We refer to recent discussions with you regarding a proposal by the developers of the proposed Cruise Ship Terminal and urban development at Townsville Breakwater, to construct a temporary bridge over Ross Creek for the purposes of providing heavy vehicle access to that site during a three year development period.

As requested we have commenced preliminary consideration of this matter so that a detailed report can be prepared for the purposes of determining compensation to the club and its members should this proposal proceed.

At this stage our investigations have been limited to the impact that this proposed bridge would have on the club's fixed assets, that is, the value of the individual marina pens, the club's freehold site and the adjoining seabed lease.

In this regard we consider that as a result of the loss of full use rights there will be a reasonably substantial loss in value of these assets suffered by both the club and the individual pen owners.

As the pen owners are club members we have assumed that the matter would be handled as a single claim, though this should be clarified by your legal advisers.

Preliminary indications are that this loss will sit between \$6,000,000 to \$8,000,000.

Further we believe that there will also be a substantial impact upon the club's business activities, particularly in relation to loss of trade from the traveling marine public and the overall effect on the financial viability of the club's operation, due to the disaffection and loss of members arising through not being able to fully utilise the club's facilities.

The loss in value of the club's fixed assets, ie the marina and freehold site, whilst substantial, is a relatively straight forward exercise and that report should be available to you in the near future, however the loss that will arise from the business component is a far more complex issue and we recommend that advice be sought from Accountancy experts such as WHK, TCM, who we understand have previously provided auditory services to the club and have previously provided compensation advice on business related matters to the writer for similar litigation matters.

RESPONSE

A detailed consideration of TMBYC issues has been undertaken and is presented at Appendix A29 in Volume 2 (Transpac Consulting Report: *Issues Raised by TMBYC*). These issues include those raised in the Taylor Byrne submission. The Report finds that:

- **On the basis of the Proponent's commitment to achieving an on-demand outcome for the temporary bridge management, it is doubtful that the proposed temporary bridge represents a significant or likely risk to TMBYC trading activity;**
- **It is unlikely that the temporary bridge will have any long-lasting adverse impacts on the value of marina berths at the TMBYC, wherein berth values are largely driven by market forces of demand supply. It should be noted that in Queensland there is an undersupply of at least 2,000 berths, and therefore, under these conditions it is likely that berth values in Queensland generally will be maintained well into the future; and**

- Presently the TMBYC charges members ~\$4,000 to \$5,000 per linear metre for berths whereas the market rate is in the region of \$8,000 per linear metre suggesting either that the value ascribed to TMBYC berths are already lower than broader market values for berths either reflecting differences in quality (e.g. design, location, associated services/amenities etc.) or that they are being offered to members at discounted rates.

Given the change in the operational philosophy of the temporary bridge described in the Flanagan Consulting Group report at Appendix A7 in Volume 2 (Supplementary EIS), impacts have been mitigated and financial loss is unlikely to be an issue. A design drawing of the temporary bridge can be located at Appendix A19 in Volume 2.

As an alternative, a barge option to carry trucks across Ross Creek has been considered by the project Proponent, which would effectively avoid any concerns about the impact of a temporary bridge structure on creek access.

This alternative to the temporary bridge across Ross Creek involves barging the trucks back and forth across the creek to the site. Discussions with the Port and the Regional Harbour Master have confirmed that this option is possible and two barge landing ramp locations have been identified with them and design work has been undertaken to show that the options are viable. The barging option has an advantage over the bridge in that noise on the Strand and Sir Leslie Thiess Drive is minimised.