

3 October 2024

Mr Simon Scott  
Public Accounts Committee Secretary

By email: [Simon.Scott@parliament.tas.gov.au](mailto:Simon.Scott@parliament.tas.gov.au)

Dear Mr Scott

**Public Accounts Committee – Inquiry into TT-Line’s Spirits Project**

I write to make a further submission to the Committee to address matters raised during the TT-Line public hearings held Friday 28 June 2024 and Monday 9 September 2024.

Of concern to us is the ongoing commentary that TT-Line was unable to access and/or there were delays in accessing the Terminal 3 construction site in the Port of Devonport. In the most recent public hearing TT-Line said:

- *Acting TT-Line Chair, Damien Bugg AM KC*
  - o *I would say we had regular reports at a board level that we were having difficulty gaining access to the relevant portions of the site to enable us to undertake the geotech surveys.*
- *Will Harper, TT-Line Project Director*
  - o *We were unable to complete the geotechnical investigations at the relevant areas, so given the site has such a variable underground profile with the rock materials, it’s incredibly critical that you get the study done at the particular locations where the foundations are located, and most of the critical foundations for us are located in and around the berth pocket, a bit north of the where the reclamation was constructed, so that’s an area in the water that access to do this work was restricted due to the ongoing work to construct the wharf. through TasPorts contract, so in that work they had a significant barge and other material and plant floating around that prevented access to do the investigation at those particular locations where we required it the most.”*

For the avoidance of doubt, we offer the following for consideration by the Committee.

**Geotechnical Investigations**

- Geotechnical investigations are undertaken to determine ground properties at a site where buildings or other construction is planned.
- The construction area is well known to be highly complex with a history of hard rock, which in the past has required blasting to remove.
- Access to sufficient and reliable geotechnical data is the first step in any design activities for such developments.
- Geotechnical investigations were required across the whole site and into SeaRoad’s site.
- This informs the baseline geological information across both sites.

- At Berth 3 TT-Line has been undertaking geotechnical investigations to inform among other things, the construction of approximately 11 steel piles needed to form the base of TT-Line's ramp connection to the new vessels. The piles are part of TT Line's design for their three-tiered ramp and gantry.
- These piles are located between the new wharf and reclaim structures, at the northern abutment.

#### **Site access prior to December 2022**

- The Terminal 3 site in Port of Devonport was vacant and available for access up until December 2022.
- Noting the parties agreed on the project scope in December 2021, both TasPorts and TT-Line had 12 months to undertake any geotechnical investigations required. The site being in a non-operational area with generally unrestricted access.
- TasPorts undertook all of its geotechnical investigations during this period and shared those results with TT-Line. The scope of geotechnical investigations undertaken by TasPorts was sufficient for the design of TasPorts scope of works for Terminal 3.
- TasPorts strongly encouraged TT-Line to do any further testing they deemed necessary at this time as access would become more challenging once TasPorts main contractor commenced works as planned, in particularly the presence of large floating plant for wharf construction and dredging plant for dredging and reclamation.

#### **Access facilitated**

Years of planning have gone into the interface operations of the project due to the complexities of a 24/7 working port and multiple contractors and agencies. As part of the Agreement for Lease (AFL) this approach, and plans were agreed by both parties. As the site was under the effective control of TasPorts Contractor (HBJV) access for works including geotechnical investigations was granted through Construction Licences. These Construction Licences set out the works to be undertaken, the area and more importantly the protocols required to enable separate contractors to work in a safe manner.

- TasPorts facilitated TT-Line's access to site to perform further investigations they required, including:
  - Geotechnical investigations in May 2023;
  - Environmental investigations in October 2023;
  - Geotechnical investigations in February 2024;
  - Site establishment activities and geotechnical investigations in March 2024; and
  - Preparatory works and geotechnical investigations in June 2024.
- These investigations facilitated do not cover the area *"in and around the berth pocket, a bit north of the where the reclamation was constructed"*, although immediately adjacent areas where access was provided would provide the relevant ground conditions for the majority of the gantry structures.
- Notwithstanding that access to the subject area would have been problematic, TasPorts at all times had the option to direct the Contractor (HBJV) to vacate the area to allow access by a third party. This would have been directed through a variation to the Contract with associated impacts on time and cost. TasPorts would seek to recover these costs through the AFL.

#### **Governance and reporting**

- TasPorts and TT-Line meet monthly via a steering committee as required by the AFL. This involves executives and project management from both companies.
- TasPorts provides a formal report every month as required by the AFL.
- TT-Line has provided such reports very sporadically.
- TT-Line highlighted "access for geotechnical investigations" as an issue in their January, April, June, July and August 2023 reports (as the respective areas were being made available).

- TT-Line's August 2023 report (attached) shows the access for geotechnical investigations issue as having a **closed** status. This report further shows that TT-Line were forecasting their actual Tenant Works (including ramps and landside works) to be completed by 6 May 2024 (no change to forecast milestone date).
- The subsequent reports from September 2023 received by TT-Line did not show "access for geotechnical investigations" as being an issue.
- These dates align with the delivery of Issued for Construction (IFC) drawings dated 15 December 2023 by TT-Line to TasPorts. IFC Drawings indicate that no further engineering or analysis is required including geotechnical. These IFC drawings were subsequently withdrawn, and only recently revised drawings have started to be provided to TasPorts for review under the AFL.

#### **Dredging**

- TasPorts dredging works were delayed due to the presence of rock that was harder than expected based on the geotechnical investigations, (along with our preference to continue dredging rather than use explosives).
- Regardless, the delay would not have prevented TT-Line from commencing work on site and/or executing the main construction contract.
- TasPorts dredging work involving the presence of floating material and plant, including the barge could easily have been halted and relocated to allow the geotechnical work to have progressed.
- TT-Line was provided with partial access to the site since July 2023, and unrestricted access to the site since November 2023.

#### **TasPorts Assistance**

- In March 2023 TasPorts offered to conduct TT-Line marine piling (which the geotechnical surveys are required for). We offered a range of solutions for piles to be ordered and installed by TasPorts on TT-Line's behalf including for TasPorts to take on design responsibility through its Contractor (HBJV).
- In April 2023 TT-Line declined TasPorts' offer to conduct marine piling. Piling has still not commenced at the time of writing, and it TasPorts understanding that pile design has still not been finalised, with piling expected from late 2024.

#### **Current TT-Line Access**

- TT-Line now has full control and management of the entire T3 site.
- TasPorts is advised that TT-Line is preparing to undertake further geotechnical investigations in the coming weeks.
- TT-Line is yet to commence any critical path permanent Works (contractor is currently mobilising) on the T3 site despite having access to the Site since December 2023.

Please advise if you have any questions relevant to the information provided here.

Yours sincerely



Anthony Donald  
**Chief Executive Officer**

Contract	C70 - Agreement for Lease for Terminal 3, Berth 3E, Port of Devonport, East Devonport, made between the Landlord, and Tenant, dated 28 July 2022, ("AFL")		
Landlord	Tasmanian Ports Corporation Pty Ltd ACN 114 161 938 ("TasPorts")		
Tenant	TT-Line Company Pty Ltd ACN 061 996 174 ("TT-Line")		
Tenant Representative	Will Harper	Authorised Representative	N/A
Report Period Ending	August 2023	Report Number	10

MASTER SCHEDULE Tenant Milestone Dates	Forecast End	Baseline End
WP 1.2 Marine Package (Design and Procurement)	25/10/2023	26/06/2023
WP 2.2 Landside Package (Design and Procurement)	25/10/2023	26/06/2023
WP 3.2 Buildings Package (Design and Procurement)	25/10/2023	26/06/2023
WP 1.3 Marine Package (Construction) (Phase 1 – Ramp, Linkspan , Spaceframe)	No changes to Milestone Dates	06/05/2024
WP 2.3 Landside Package (Construction) (Freight Yard and Related Civils)	No changes to Milestone Dates	06/05/2024
WP 3.3 Buildings Package (Construction) (Marine / H&R/ Freight)	No changes to Milestone Dates	06/05/2024

PROGRESS UPDATE				
Activity	Status	Current Works	Upcoming Works	Key Issues/Risks/ Opportunities
WP 1.2 Marine Package (Design and Procurement)		<ul style="list-style-type: none"> <li>- Tender assessments and clarifications</li> <li>- Design and Construction Interface w/ Landlord inc review comments close-out</li> </ul>	<ul style="list-style-type: none"> <li>- Tender Close and Assessments</li> <li>- Landlord Works/Construction Consent Process and Construction Licenses, Design approvals, AFL requirements</li> </ul>	<ul style="list-style-type: none"> <li>- Sequencing of Marine Works and Construction interface between Landlord Contractors.</li> <li>- Resolution interface items</li> </ul>
WP 2.2 Landside Package (Design and Procurement)		<ul style="list-style-type: none"> <li>- Staging discussions – early access to entry road area. Changes to Berth 1 carpark</li> <li>- Baseline Environmental Study access arrangements</li> </ul>	<ul style="list-style-type: none"> <li>- Traffic Assessment next phase</li> <li>- Landlord HV design and construction interface – coordination with Tenant works</li> <li>- Baseline environmental study</li> </ul>	<ul style="list-style-type: none"> <li>- HV works interface.</li> <li>- Traffic Interface – SeaRoad, Biosecurity</li> <li>- BioSecurity Temporary Facility and Freight Inspection</li> <li>- Biosecurity Permanent Facility Option</li> </ul>
WP 3.2 Buildings Package (Design and Procurement)		<ul style="list-style-type: none"> <li>- Terminal Building and temporary facility design and planning</li> <li>- Terminal Building (office staff) options investigation and assessment</li> </ul>	<ul style="list-style-type: none"> <li>- Procure temporary facilities</li> <li>- Finalize terminal building approach</li> <li>- Procurement Warehouse, Terminal Building and Skybridge D&amp;C Package</li> </ul>	<ul style="list-style-type: none"> <li>- Passenger/Terminal Office Building requirements during Stage 4 - Carpark and access considerations</li> <li>- Temporary Facility for Biosecurity</li> <li>- Phasing of Cold Stores/Marine Warehouse and Terminal Building</li> </ul>

## STAGING PLAN

There are currently no changes to the Staging Plans.

TT Line notes that early access to areas to complete the passenger marshalling area and entry roads may be required to allow for operations at completion of Stage 4.

Marine Piling and Rock Bag placement likely require adjustment of work areas and coordination between TT-Line and TasPorts contractors

## ISSUES REGISTER

Item	STATUS	Mitigation / Actions
Access for Geotechnical Investigation	Closed	Study complete and factual report being prepared by SMEC. Access to complete further boreholes may be requested from TasPorts/HBJV
Marine Construction Interface	Open	Coordination of Marine Works to be required with all contractors. Piling and Rock-bag placement sequencing and programme. Coordination and interface management of landlord and tenant scopes of work to be progressed upon selection of preferred Contractor.
Landlord/Tenant Design Interfaces	Open	Resolution final comments in progress.
Staging Plan and Access Considerations	Open	Handover Berth 1 Car-park to SeaRoad and AutoCare Site occupation Planning of temporary facilities including passenger building
Traffic Study	Open	Traffic presentation to be shared with Stakeholders for comment. SeaRoad and Biosecurity traffic information to be incorporated into assessment to understand Wright St. TTL to follow up SMEC (Tim Clune).