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THE PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS MET IN COMMITTEE ROOM 1, PARLIAMENT SQUARE BUILDING, HOBART ON MONDAY 4 DECEMBER 2017.

CRADLE MOUNTAIN GATEWAY PRECINCT AND VISITOR CENTRE

Mr ANDREW ROBERTS, DIRECTOR COMMERCIAL AND BUSINESS SERVICES, PARKS AND WILDLIFE SERVICE; AND **Mr RALF ZENKE**, PROJECT MANAGER, CRADLE MOUNTAIN VISITOR CENTRE, PARKS AND WILDLIFE SERVICE WERE RECALLED AND EXAMINED. **Dr JOHN WHITTINGTON**, SECRETARY, DEPARTMENT OF PRIMARY INDUSTRIES, PARKS, WATER AND ENVIRONMENT; AND **Ms LIZ WALSH**, ARCHITECT, CUMULUS STUDIO WERE CALLED, MADE THE STATUTORY DECLARATION AND WERE EXAMINED.

CHAIR (Mrs Rylah) - Welcome, everyone. The committee is pleased to hear your evidence today. Before you begin giving your evidence, I will inform you of some of the important aspects of committee proceedings. A committee hearing is a proceeding in parliament, which means it receives the protection of parliamentary privilege. It is an important legal protection that allows individuals giving evidence to a parliamentary committee to speak with complete freedom without the fear of being sued or questioned in any court or place out of parliament. It applies to ensure that parliament receives the very best information when conducting its inquiries. It is important to be aware that this protection is not accorded to you if statements that may be defamatory are repeated or referred to by you outside the confines of the parliamentary proceedings. This is a public hearing; members of the public and journalists may be present. This means your evidence may be reported. Do you understand? I need a verbal yes.

WITNESSES - Yes

CHAIR - Would you like to make an opening statement?

Dr WHITTINGTON - I open by stressing that the objective of the investment we are proposing is absolutely about ensuring we maximise the investment potential of the entire site so we realise the greatest opportunity for the total government funding of \$21.8 million in both the Gateway and the Dove Lake viewing shelter. While providing for that objective of a seamless visitor environmental experience at the Gateway as well as Dove Lake with the \$21.8 million, what we are coming to you for is the \$16.05 million towards the Cradle Mountain Gateway Precinct quite separately from the \$5.75 million at Dove Lake at the moment.

The Gateway Precinct, at \$16.05 million, is designed to optimise the opportunity for developing a public-private partnership. On that, we have sought advice through the steering committee for the project from the TICT and the Office of the Coordinator-General. The proposal we are putting forward now, which is to construct buildings 1 and 2 and walkway 7, plus the civil works and all the landscaping and car parking, provides a visitor centre that meets the needs today of Parks, visitors and the businesses, while maintaining building 4 as a significant opportunity for a public-private partnership. That is very much based on the advice of the tourism industry and Office of the Coordinator-General through the steering committee.

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I won't go through the characteristics of buildings 1 and 2, other than to say that they provide for, combined, about 1100 square metres or more of space which would provide for all the visitor services that would be provided by Parks. It also provides, through building 2, space for a number of businesses that are operating up there to have front of house, plus a cafe which would have a footprint of several hundred square metres. All of the buildings can be repurposed and integrated into the full precinct once building 4 is constructed through a PPP. All of the village concept remains intact. This staged construction provides for the pieces we believe need to be there now and optimises the site for future investment.

Mr VALENTINE - I noticed in the latest letter that the issue was the service station, but that doesn't seem to have been in the original application. Maybe it is hidden somewhere and I simply haven't picked it up. I know where it is and that it is behind the bus zone, so perhaps you could explain that.

Ms WALSH - The idea with the petrol station was to retain it in its existing location to create a new turn-in area and covered space. If you look on the master plan, it is item G.

Mr VALENTINE - Yes. Are we going back to the original master plan?

Ms WALSH - Yes, it is this document.

Mr VALENTINE - What page is that?

Ms WALSH - It's the A3 page you have in front of you.

Mr VALENTINE - Sorry. Yes, I have got that.

Ms WALSH - Item G is where the existing pumps are located. The idea is to remove the visitor centre as is and retain the tanks and provide new access and a new essentially covered area as well, which is sitting next to that.

Mr VALENTINE - That would have been in the original?

Mr ROBERTS - It was in the original submission on the maps that came with the original submission.

Mr VALENTINE - Exactly the same, yes.

Mr ROBERTS - But it was not highlighted as overtly as this.

CHAIR - I could not find any reference to it either in the narrative.

Mr VALENTINE - Okay. You are not actually installing any new tanks or -

Mr ROBERTS - That is the whole idea.

Mr VALENTINE - That is right, yes.

CHAIR - But you are providing coverage?

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Mr ROBERTS - For the servicing of it. We will remove as much of what is there at the moment, but there is coverage for the retailing of fuel, that there would be a minimum -

CHAIR - The roof will not extend outside so that people can stay dry, or is it just protecting the bowsers? Could you explain that?

Ms WALSH - The concept was to retain it in its existing condition. Currently it does not have a roof over it, so the idea was that in the future it will not have a roof over it.

Mr ROBERTS - One of the things we were keen to do is not to leave behind the old infrastructure and suddenly find it being used for other uses. The whole idea of lifting the whole site into a new standard was not to leave that behind. If we needed to leave behind the function of retailing fuel on the basis that you don't move fuel tanks easily, that can be automated. You would have seen in a lot of cases now there actually are completely unstaffed service stations with cards and things, yes.

Mr VALENTINE - That was just one thing that happened to be in there. I didn't see it before, but it might have been under 'Site services and infrastructure' before.

Dr WHITTINGTON - Just to close it out, what we are saying here is that there will still be the provision of fuel at the Gateway, but we are not building a grand service station, and nor are we integrating fuel into the new part of the village. It is retaining existing infrastructure.

Mr VALENTINE - Understood. It is not going to be any greater detriment to the environment than what is already currently there.

CHAIR - I was interested in the distance between where the buses turn around and building 1, is it, which is where you will sell the tickets - that is, what is now called 'building 1'. Is it building 1? Wherever it is where you go to buy tickets -

Dr WHITTINGTON - Yes.

CHAIR - What is that distance? In our previous hearing, we talked about how close that was, and that people are almost effectively undercover, and now they have to walk across the tarmac or whatever it is. Can you tell me about that, please?

Dr WHITTINGTON - Liz, do you want to describe how the flow works and the distances?

Ms WALSH - From building 1 to the proposed turning circle is approximately 75 metres. It is about half the distance from the car park to the visitor service centre, as it was proposed in the last one. The idea is that you would buy a ticket from building 1. You would retain it and perhaps grab a coffee from building 2. You would then walk across and be undercover and then catch the bus.

If you had already pre-purchased your ticket, you would perhaps not even need to go into building 1; you would park in the car park, be picked up and fully be able to walk undercover to the new shuttle bus turning area. There is a space of approximately 20 metres from building 1 to the corner of the new walkway, building 7, but it is no more than 20 metres of undercover.

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CHAIR - Can I just clarify that is building 7? On my thing it looks like it is building 6. Is the walkway building 6?

Ms WALSH - I thought it was building 7.

CHAIR - I can't tell what that number is, but whatever that number is -

Ms WALSH - It might be helpful to turn to this document.

CHAIR - Yes. Got it.

Ms WALSH - On here, it has the buildings labelled.

CHAIR - You are calling that 7. On this one it says -

Ms WALSH - It is covered walkway 01, I think. Sorry for the confusion.

Mr VALENTINE - It is just not easy to read, that's all. I've an idea it's 3 because it's 1, 2, 3.

Mr ROBERTS - Building 3 was the original kiosk building; 7 is the covered walkway.

CHAIR - Thanks, Andrew. From the end of the walkway to the turning circle - I see: on this map it goes much further. I have answered my own question. I don't need to ask that question.

Dr WHITTINGTON - All of that land between the walkway and buildings 1 and 2 is a forecourt that has been designed for both aesthetics and function, so people can walk seamlessly between the buildings and the covered walkway. On a nice day, people would be milling around there. That is the idea.

Mr VALENTINE - Really, the purpose of this submission today is to outline that it is only \$16-odd million as opposed to the \$21 million. That is the separation of the dollars. It was brought up last time we talked.

Dr WHITTINGTON - The balance of the money - the \$5.75 million - is to be spent at Dove Lake, and that is subject to a separate DA and planning process. We are developing that in parallel, but it is a little behind the Gateway Precinct at the moment.

Mr VALENTINE - Yes. We are not approving that at this point?

Dr WHITTINGTON - No.

CHAIR - That will come back to us as a separate -

Mr VALENTINE - It will come back to the committee as a separate thing.

CHAIR - To the committee, correct. Any other questions?

Mr FARRELL - In relation to building 4, that fits into the scheme at a later stage. Is that correct?

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Dr WHITTINGTON - That is correct. What we are trying to do with building 4 is develop a public-private partnership on the site. The advice we have is that site and building are the most prospective for generating that public-private partnership. The way we have designed buildings 1 and 2 and their use is that use may or may not migrate into building 4 throughout the PPP, depending on exactly how we can get a private partner to work with us.

It might well be in the private partner's interest to have Parks' ticketing, for example, to be delivered out of building 4. Certainly retail and hospitality would be delivered out of that building. Certainly there will be public spaces in there. The way that 1 and 2 are designed is that the functions can migrate between buildings 4 and 1 and 2.

The idea is that in a short time we will have all of the whole village constructed, but in a timing sense we believe that we need the anchor there right now, which then allows the building 4 PPP discussions to happen rather than just wait for that to happen.

Mr FARRELL - What sort of time frame, John?

Dr WHITTINGTON - The Office of the Coordinator-General is running the expression of interest process for that, and they intend to do that in the first half of next year, so quite soon. The OCG has had preliminary discussions more broadly on how that might run, but Parks is at arm's length from the specifics of that.

CHAIR - Do you think that there will be strong interest in building 4?

Dr WHITTINGTON - Very. All the intelligence we have had so far is that there will be very strong interest. I have had that advice through the Office of the Coordinator-General, plus the knowledge I have of the industry and the players in it.

Mr VALENTINE - You might not be able to answer this, but I will ask it anyway: is the idea that it not only provides a commercial opportunity for somebody, but that the leasing of those spaces provides some income back into the running of the rest of the site? Is that the reason for a public-private partnership on that site?

Dr WHITTINGTON - The reason for public-private partnership is to maximise the investment on the site beyond just the public's money. To realise the full vision is a lot more than the \$16 million that has been put on the table. Also, it is to provide all those entrepreneurial skills and the balance to the site to make it truly function as a village. The model of a PPP will determine exactly how we structure it; that is all part of the negotiation as to how it is owned and operated and how we fit into that. There is a number of different models, as you can imagine. I cannot really answer other than that -

Mr VALENTINE - It is for us to follow up in Estimates, I reckon.

Dr WHITTINGTON - Yes. The very good thing about the site, as you are aware, is that it is crown land, and so there is more considerably more flexibility around construction and planning and use, than if it was in the reserve. There are all sorts of opportunities there to generate something really special. It can also, of course, dovetail potentially into any transport solution. It will dovetail into any transport solution that arises.

Mr VALENTINE - Excellent. Thanks.

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CHAIR - At the last hearing we heard that building 4 was likely to be a concrete construction, or that was the suggestion. From what I read here, these buildings have timber cladding, which will grey over time, as we would expect. For me, the timber and the greying is something more than what I expected than when I heard about the concrete, but how are you envisaging all this will fit together? I know it is a village and there are different aspects to a village, but how is this all going to come together in terms of the look?

Ms WALSH - Building 4 was conceived as the departure point. For us, it needed to have a materiality or a cladding that was different to the village. When we were in the concept design phase, we looked at Waldheim Village, we looked at Kitchener Hut, and we looked at the type of construction happening in and around the site. It seemed to us that the smaller buildings should be timber, and the larger building that potentially was on the edge of the visitor experience should read differently so it felt like the building at the end of a journey. While you are in the village, you are surrounded by timber-clad buildings and you would proceed to a slightly larger building that had perhaps more contemporary function in it as well. That was the concept around the architecture. It also felt to us that while they were smaller, timber was much more appropriate in that setting.

Mr ROBERTS - You have the concept - perhaps will you talk about your form idea of the concrete and how it makes it up to the timber in the buildings?

Ms WALSH - Yes, essentially, the idea was that we would use timber to form the concrete in building 4, and then it would be like the other buildings on the site, but it would be slightly different because it would have a different function, and it would be providing slightly different services.

CHAIR - I am gathering what you are suggesting is that you are going to pour these walls with timber, and then when you pull the timber off, you will see the pattern of the timber in the concrete?

Ms WALSH - Yes, and that would allow for an increased textural quality in the concrete and also make it feel more at one with the timber buildings surrounding it.

CHAIR - Are we going to have sufficient loos and things, to ask a basic question, in these smaller buildings because our numbers are increasing already?

Ms WALSH - Yes. The plans we have provided to you as part of this submission indicate 11 toilets all up, which meets what is on site at the moment. However, in speaking with Parks, we believe - it is important to note that buildings 1 and 2 were buildings that have been developed up to DA stage. The next stage of course would be to go to building approval, which is a much more detailed process. We believe we can accommodate up to 50 per cent more in those buildings, so take the numbers up to 16 or 17 toilets, which is more than is on site at the moment. We believe we would cater for the current capacity.

CHAIR - I have been there in peak periods and the queue in the ladies' bathroom has been significant.

Ms WALSH - Yes.

Mr ROBERTS - We are seeking to maximise them at least for the 10-year-type projection. Obviously, when you get the building 4 up, you have double. That is when you really realise the

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vision. You should not be waiting anywhere, because whichever building you go to there is an option to go to the toilet.

CHAIR - What is the likely time frame for building 4 to come back before the committee?

Dr WHITTINGTON - Building 4 will be privately funded.

CHAIR - Public-private partnership, didn't you mention?

Dr WHITTINGTON - That is right, but how we would achieve the public component of a public-private partnership may not be through cash but through access to the site and various other arrangements because we will be expending the budget building the balance of the precinct. The site itself offers opportunity for the public component to a public-private partnership.

The intent is that the exact mechanics of that are to be worked through in those negotiations. As I said, the intent is to go out in the first half of next year through the Office of the Coordinator-General to seek a partner to then develop a proposal through that.

Mr VALENTINE - Supplementary to that, why do this all now and then do that later? Why wouldn't we have waited until some of that had been dealt with through the due process, expressions of interest or whatever else, and then do the whole thing so that we have some certainty around this building 4?

Mr ROBERTS - There is actually a lot to do with the site; civil works, for example, is what we would want to be doing first. While we are going through this investigation phase, with your clearance, we can get into the civil works and get them going so we are not waiting to a point and then taking another two years after that to get it to ground.

Mr VALENTINE - The question is, depending on who the partnership is with, their requirements may not have been dealt with fully. They have to work within certain constraints.

Dr WHITTINGTON - That is right. They will have to work within certain constraints. They will have to work within constraints of the master plan for the site. We believe that the civil works we are doing are going to provide the foundation for attracting a significant partner.

Mr VALENTINE - For that initial work it would be very difficult to attract a third party?

Dr WHITTINGTON - It would be impossible to say but certainly our strong view is that providing the infrastructure through the civil works plus the balance of the Gateway Precinct and getting the landscaping and everything sorted will provide an immediate start for what is essentially a burning need - I do not need to overstate that - and in a very short time we should have a solution around building 4 that will mesh into the site.

Mr FARRELL - Is that the final design for building 4 or is there flexibility? How does that work in with - if the private person says, 'No, I want it bigger or wider or slightly different', what sort of scope is there for that?

Dr WHITTINGTON - My understanding of the way we are approaching this is that the shape, feel and form is anchored in the master plan, but certainly around the margins there is opportunity for ensuring it is fit for purpose. Certainly the internal fit-out and how it feels and looks was always

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to be designed. There is some concepts around that and certainly some givens around view fields and those sorts of things, but the exact layout will certainly be subject to negotiation through a process.

Ms WALSH - Yes.

Mr ROBERTS - We are trying to remain with the DA that has been approved. That is part of the offer, to attract people in - the work has been done. That building form that is consistent with the DA is there ready to go as an opportunity and the DA allows for flexibility within that.

Mr VALENTINE - Otherwise you'd to go through another DA.?

Dr WHITTINGTON - Yes, and certainly the intent through the EOI - and again, I am speaking on behalf of the Coordinator-General's Office as they are not here - is that you would go to market with the DA and what is provided for within the DA. That essentially sets the footprint.

Mr VALENTINE - The parameters.

Dr WHITTINGTON - And the look and feel and form.

CHAIR - The sequence anticipated at this point in time is: the approval of this, the approval of the Dove Lake shelter and then the finalisation of the private partnership on building 4? Is that the sequence you are thinking, or could it be otherwise?

Dr WHITTINGTON - No. What we are seeking now is approval to proceed with the option we have put forward, and then we would get underway with that instantly. We have then two parallel paths - one is through Dove Lake and we now have a design concept for the Dove Lake shelter which we are taking to the steering committee later this week.

We are, in parallel, developing the reserve activity assessments and all the other planning approval documentation that we will need to get that up. That is going to be much more complex than the Gateway site because it is within the reserve - within the national park and the World Heritage Area. There are additional layers of planning approval required, so we are running that process. Separately, the Coordinator-General's office will run the other. Which one gets to the finish line first, it will be whichever one does.

CHAIR - Very good.

Dr WHITTINGTON - Just before I go off that, as I think we have flagged in some of our correspondence, there are some minor but very important civil works that we are going to start doing immediately around the hard stand for the bus turning circle and those sorts of works. That is literally about to get underway.

CHAIR - I understand, and hopefully, from your perspective, the rain stops.

Dr WHITTINGTON - It depends for which portfolio you ask me that question - a big part of my portfolio is praying for more rain on the east coast.

Mr VALENTINE - That is right. We absolutely need it.

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CHAIR - I have no further questions. Is there any other comment you would like to make to close, John?

Dr WHITTINGTON - No, I think it is a really exciting project and an exciting time for Cradle Mountain. The intent of Parks, through this, is to provide a seamless visitor experience from the moment you drive up through servicing through to Dove Lake. The whole concept can be delivered through this staged approach. We are really excited to get on with it. That is my closing statement.

CHAIR - Yes. Very good. Thank you very much. Thank you for appearing again to clarify for us. As I advised you at the commencement of your evidence, what you have said to us here today is protected by parliamentary privilege. Once you leave the table, you need to be aware that privilege does not attach to comments you may make to anyone, including the media, even if you are just repeating what you have said to us. Do you understand that?

Dr WHITTINGTON - Yes.

CHAIR - Thank you very much.

Dr WHITTINGTON - Thank you very much.

CHAIR - We will now deliberate.

THE WITNESSES WITHDREW.