

The Proposed Works

Purpose

- 2.1 Defence submitted that the purpose of the proposed works is to:
- provide facilities at HMAS *Cairns* for the berthing and effective operation of the new ACPBs, and
 - to refurbish and reinvest in ageing base infrastructure.¹

Need

- 2.2 The impetus for the proposed work arose from:
- the decision to replace the Navy's FCPBs with new ACPBs, which is larger and some 15 metres longer than the FCPB, thus demanding extended berthing facilities and upgrade of associated services;²
 - an incremental increase in the number of vessels home-ported at HMAS *Cairns*, since September 1996, which has required some Navy vessels to be berthed at a nearby commercial wharf, although this arrangement

1 Appendix C, Submission No.1, paragraph 2

2 *ibid*, paragraphs 3 and 7

does not allow for the provision of the requisite shore services, such as power and security;³ and

- an associated increase in pressure on base support facilities and essential infrastructure services, which require upgrading to meet current and future requirements.⁴

Options Considered

2.3 As HMAS *Cairns* is the only naval base in Queensland, no alternative sites were investigated. Options considered for the base redevelopment and accommodation of ACPBs were:

- expansion of the Navy's berthing facilities at HMAS *Cairns*; and
- construction of new shore facilities.

2.4 At the public hearing, Defence reported that it had compared the cost-effectiveness of building new shore facilities to that of adaptive reuse of existing facilities and had found that the former option would incur a 50 per cent cost premium.⁵ For this reason, Defence determined the proposed acquisition of increased berthing access at the adjacent commercial wharf; and the refurbishment of existing shore facilities at HMAS *Cairns* to be the preferred project option.⁶

Scope

2.5 Defence describes key project elements as:

- marine works, comprising widening of the existing Navy wharf and access jetty, and construction of an access jetty connecting HMAS *Cairns* to the nearby commercial wharf;
- refurbishment and re-use of existing buildings, including the Command, In Service Support Facility, Fleet Logistics Support Element, and Fleet Maintenance Activity buildings; and incorporation and

3 Appendix C, Submission No.1, paragraph 3

4 *ibid*, paragraph 4

5 Appendix D, Official Transcript of Evidence, page 3

6 Appendix C, Submission No.1, paragraphs 29 - 30

limited upgrade of the adjacent Training Ship *Endeavour* naval cadet facilities;

- construction of new buildings, comprising a new two-storey Central Building (to accommodate the Health Services Centre, Corporate Services Customer Service Centre, Command, Career Management Cell, Comprehensive Maintenance Service Contractor, Navy Communication and elements of the Corporate Services and Infrastructure Group), and a new Fitness Centre;
- civil works, including alteration of the base entrance, a new 225-place car park, hardstand and landscaping;
- temporary facilities and minor works, including facilities to accommodate decanting and staging, and a new quality control laboratory for the existing pump house; and
- site services works to upgrade electrical, water, stormwater, sewerage, communications and security services.⁷

Land Acquisition

2.6 In order to accommodate the proposed redevelopment, Defence plans to acquire, through normal commercial means, “an interest in several properties adjacent to HMAS *Cairns*...”. Defence reported that negotiations undertaken prior to the date of submission (March 2006) had been positive.⁸ The estimated cost of the land acquisitions was included in the confidential project cost estimate supplied to the Committee.

2.7 Defence’s Statement of Evidence indicated that the additional property to be acquired includes Lot 485 (currently in the hands of the Cairns Port Authority) and the Training Ship *Endeavour*, which will be incorporated into HMAS *Cairns* for ongoing use by naval cadets.

Use of Commercial Wharf

2.8 Defence’s proposal includes the construction of a new access jetty to service two new berths at the neighbouring commercial wharf.⁹ Defence states, however, that increased naval access to, and use of, the commercial wharf will not impede commercial activity at the site.¹⁰

7 Appendix C, Submission No.1, paragraphs 11 - 25

8 *ibid*, paragraph 27

9 *ibid*, paragraph 11

10 *ibid*, paragraph 39

Project Delivery

- 2.9 Defence proposes that the project will be delivered using a managing contractor arrangement, which will provide strong on-site management and assist in the synchronisation of construction activities and ongoing base operations.¹¹

Cost

- 2.10 The estimated outturn cost of the proposed work is \$76.3 million.¹²

11 Appendix C, Submission No.1, paragraph 36

12 *ibid*, paragraph 28