

Not Relevant

7 Reports from Ministerial Councils and Cabinet Committees

Not Relevant

703 MINUTES OF THE MAJOR PROJECTS AND INFRASTRUCTURE CABINET COMMITTEE, 8 JUNE AND 23 AUGUST 2005 - NOTED

Not Relevant

703

MINUTES forming **ENCLOSURE** to

TO: THE PREMIER FOR CABINET TO NOTE

RE: MINUTES OF THE MAJOR PROJECTS AND INFRASTRUCTURE CABINET COMMITTEE

PURPOSE

For Cabinet to note the minutes of meetings of the **Major Projects and Infrastructure Cabinet Committee**.

DISCUSSION

Cabinet requires that all Cabinet Committees provide minutes of each meeting to Cabinet. Attached are the minutes of the **Major Projects and Infrastructure Cabinet Committee** meetings held on 8 June 2005 and 23 August 2005.

RECOMMENDATION

That Cabinet note the minutes of the **Major Projects and Infrastructure Cabinet Committee** meetings held on 8 June 2005 and 23 August 2005.

**HON PATRICK CONLON MP
MINISTER FOR INFRASTRUCTURE
MINISTER FOR TRANSPORT**

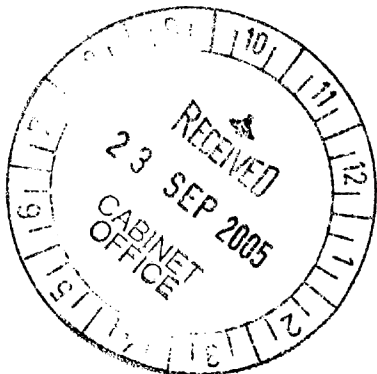
CHAIR OF THE MAJOR PROJECTS AND INFRASTRUCTURE CABINET COMMITTEE

22/9/2005

In Cabinet

26 SEP 2005

NOTED
[Signature]
PREMIER





MAJOR PROJECTS AND INFRASTRUCTURE CABINET COMMITTEE

MPICC Secretariat
Cabinet Office
Level 14, State Administration Centre
200 Victoria Square, Adelaide

Phone: 8226 2051
Fax: 8226 1111

MEETING
8 June 2005
MINUTES
(3.05 – 3.45 pm)

PRESENT

Hon. Kevin Foley	Treasurer
Hon. Patrick Conlon	Minister for Infrastructure, Minister for Transport (Chair)
Hon. Jane Lomax-Smith	Minister for Tourism
Hon. Carmel Zollo	Minister for Emergency Services (representing Hon. Paul Holloway)

IN ATTENDANCE:

Hon. Rory McEwen	Minister for Agriculture, Food and Fisheries
Tim Ryan	Adviser to the Premier
Stephen Mullighan	Adviser to the Treasurer
George Vanco	Adviser to Minister Holloway
Leon Bignell	Chief of Staff to Minister Conlon
Megan Auld	Adviser to Minister Conlon
Julia Sumner	Adviser to Minister Lomax-Smith
Gaby Hummel	Adviser to Minister Weatherill
Hugh Bowers	Chief of Staff to Minister McEwen
Jim Wright	Under Treasurer
David Imber	General Manager Finance, DTF
Steven Page	Executive Director, Project Analysis Branch, DTF
Ray Garrard	Chief Executive, DTED
James Horne	Chief Executive, DTEI
Rod Hook	Executive Director, Office for Infrastructure Development
Ben Wilson	Executive Officer

(Note: Various Ministers and advisers entered and left during the meeting.)

Note: item 4.5 was dealt with first.

1. APOLOGIES

Hon. Mike Rann, Hon. Paul Holloway, Hon. Jay Weatherill and Hon. Karlene Maywald were unable to attend the meeting.

2. MINUTES OF THE PREVIOUS MEETING

The Chair approved the minutes of the meeting held on 7 April 2005.

3. BUSINESS ARISING

No business arising.

4. DISCUSSION ITEMS

4.1. SAMFS training facility at Angle Park

The Chair requested that agencies quickly resolve their intentions regarding the Angle Park and Largs North sites to determine if there is space for a construction industry training centre at the Angle Park site.

Jim Wright advised the committee that the Police want Largs North for their own purposes.

The Minister for Emergency Services indicated that she would take the lead on the issue, noting that the transfer of SA Metropolitan Fire Services workshops to Angle Park is already in the budget.

The committee agreed that if land is to be provided to the construction industry training centre it should be on commercial terms.

Rod Hook to work with the Office of the Minister for Emergency Services to establish whether there is space at the site for the construction industry training centre.

4.2. Waterloo Precinct development by Delfin Lend Lease

Dean Lambert attended for this item.

The committee agreed that the Urban Growth Boundary should not be expanded to accommodate the Delfin proposal for a mixed-use development that includes a residential component. The committee noted that the decision may be seen as the government being anti-development.

4.3. Surplus site – 250 Churchill Rd Prospect

Dean Lambert attended for this item.

Minister Lomax-Smith advised the committee that there is a need for land for low cost housing and that the Council wants residential development at the site. The Minister indicated that the need for a Plan Amendment Report is only a minor issue.

The committee noted that remediation would be required for residential use, but may not be required for industrial use. The committee queried who would take on the remediation risk.

LMC to re-examine the appropriate use of 250 Churchill Road Prospect.

Ministers Lomax-Smith and Conlon to discuss further, prior to any Cabinet submission.

4.4. Sturt Highway extension

This item was withdrawn prior to the meeting.

4.5. Rapid Bay Jetty upgrade

Lloyd Roberts and Dean Lambert attended for this item.

The Chair noted the need for the jetty to be upgraded, but indicated that he was interested in minimising costs and avoiding pressure to upgrade other jetties.

James Horne tabled a summary of the upgrading options and briefly spoke to it. He advised that \$1m is required to bring the existing 130 metres of open jetty up to a safe standard, but \$1.75m would extend the open portion of the traditional jetty out to 230 metres. The preferred option in the paper (option 1) was for a modular 4 platform walkway extending out 338 metres, and costing \$2.7m. The modular 4 platform walkway could be scaled back depending on funding.

The committee did not express a preference for any of the options, but noted that option 1 could be funded from within existing budgets, subject to Council contributions and utilising the recreational boating facilities fund.

The committee discussed the potential for corporate sponsorship from companies like BHP Billiton or Adelaide Brighton.

The committee requested that DTUP continue negotiations with the Council.

4.6. IRI Bolivar fish farm proposal

Jim Hallion, Anne Howe, Pam Martin and Jeremy Randell attended for this item.

The committee expressed concern that no clear decision had been made yet about whether the project could proceed or not. The committee agreed that consideration of the project should be brought to a conclusion by formally seeking an indemnity from the project proponents against all risks.

Ray Garrand noted that the Chair of the Economic Development Board had previously expressed his opposition to the project.

Minister McEwen noted the potential benefits of the project for the aquaculture industry and requested that IRI get a reasonable chance to provide the indemnities.

SA Water to write to the proponents advising that if they are not prepared to indemnify the government against all risks within a week the project will not proceed.

5. OTHER BUSINESS

No other business.



**HON PATRICK CONLON MP
MINISTER FOR INFRASTRUCTURE
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22/9/2005



MAJOR PROJECTS AND INFRASTRUCTURE CABINET COMMITTEE

MPICC Secretariat
Cabinet Office
Level 14, State Administration Centre
200 Victoria Square, Adelaide

Phone: 8226 2051
Fax: 8226 1111

MEETING Tuesday 23 August 2005 MINUTES (4.00 – 4.55 pm)

PRESENT

Hon. Kevin Foley	Treasurer
Hon. Paul Holloway	Minister for Industry and Trade, Minister for Urban Development and Planning
Hon. Patrick Conlon	Minister for Infrastructure, Minister for Transport (Chair)
Hon. Jay Weatherill	Minister for Housing

IN ATTENDANCE:

Ann Barclay	Adviser to the Premier
Stephen Mullighan	Adviser to the Treasurer
Kevin Gent	Chief of Staff to Minister Holloway
George Vanco	Adviser to Minister Holloway
Megan Auld	Adviser to Minister Conlon
Gaby Hummel	Adviser to Minister Weatherill
Jim Wright	Under Treasurer, Department of Treasury and Finance (DTF)
David Imber	General Manager Finance, DTF
Steven Page	Executive Director, Project Analysis Branch, DTF
Julian Robertson	Director, Project Analysis Branch, DTF
Ray Garrard	Chief Executive, Department of Trade and Economic Development
James Horne	Chief Executive, Department of Transport Energy and Infrastructure (DTEI)
Lino Di Lerna	Project Director, Infrastructure Division, DTEI
Ben Wilson	Executive Officer

(Note: Various Ministers and advisers entered and left during the meeting.)

1. APOLOGIES

Hon. Mike Rann, Hon. Jane Lomax-Smith, Hon. Karlene Maywald and Hon. John Hill were unable to attend the meeting.

2. MINUTES OF THE PREVIOUS MEETING

The Chair approved the minutes of the meeting held on 8 June 2005.

3. BUSINESS ARISING

The Chair questioned the role of the committee in relation to the majority of the items on the agenda and indicated that he would prefer that in the future the committee focus its attention on issues requiring decisions or debate rather than items for mere noting.

4. DISCUSSION ITEMS

4.1. New tourist accommodation for the zoo at Monarto

Ed McAlister (CE Adelaide Zoo), Greg Toop (project proponent), Rick Janssan (DEH) and Michael Geddes (SATC) were present for this item.

Greg Toop gave a brief overview of his company and the proposed project for accommodation at Monarto zoo, indicating that the development is a private venture, but that he is seeking to clean up land ownership issues to allow the project to proceed.

Rick Janssan advised that the land is owned by the Minister for Urban Development and Planning and under long term lease to the zoo. He advised that Hon. John Hill would be writing to Hon. Paul Holloway regarding land ownership issues. Hon. Paul Holloway indicated there had been no issues identified yet regarding the land transfers.

Minister for Urban Development and Planning to work with Minister for Environment and Conservation to resolve any land ownership issues at Monarto.

4.2. Future prison infrastructure business case briefing

Hon. Terry Roberts, Kyam Maher, Peter Severin and John Case were present for this item.

At the request of Hon. Terry Roberts, Peter Severin briefly outlined the need for a new prison facility, indicating that the age and inefficiency of the Yatala Labour Prison provides the main rationale for a new facility but that there are also capacity constraints, especially with prisoner assessment and induction. He noted that South Australia is the only state in Australia with an operating prison that was built in the 19th century, and that a new facility would substantially lower operating costs. The current daily cost for a male prisoner at Yatala is \$137, versus around \$95 for a new facility.

Peter Severin foreshadowed a Cabinet submission to confirm Mobilong as a site for further investigation and seek funds for more detailed project development in 2006-07. He advised that early clarification of a site would enable firm estimates of cost.

In response to queries from the committee about other options that had been examined, Peter Severin confirmed that refurbishment of Yatala had been included in the "do nothing" case and that there was potential for a public private partnership to provide a lower cost option. He advised that further work on procurement options is needed.

Minister for Correctional Services to prepare a Cabinet submission to identify site options for a new facility, but leaving financial aspects to the budget process.

4.3. Port Adelaide regional centre revitalisation

Wayne Gibbings (LMC), Warwick Stuart (LMC), Sean Bignell (LMC), Gary Storkey (DFC) and Michael Geddes (SATC) were present for this item.

Wayne Gibbings advised that the waterfront development is proceeding well, and LMC, with involvement of Newport Quays and the Port Adelaide Enfield Council, has now established a Port Centre Coordination Group to lead the revitalisation of the Port Adelaide Regional Centre.

The committee endorsed the work that LMC is undertaking and put the view that the private sector should be involved in the revitalisation process. Wayne Gibbings confirmed that the revitalisation process would seek private sector involvement.

LMC to undertake further investigations into the revitalisation of the Port Adelaide Regional Centre and report to Cabinet by December 2005.

4.4. Proposed framework for LMC involvement in regional SA

Wayne Gibbings, Warwick Stuart, Sean Bignell, Gary Storkey and Michael Geddes were present for this item.

Sean Bignell put a case for LMC involvement in regional SA, highlighting that LMC has capabilities that it could apply to regional developments, such as remediating land, master planning, market assessments, and facilitating access to the Industrial and Commercial Premises Scheme and other government programs like Homestart. He indicated that the main role for LMC would be to facilitate private sector investment in consultation with regional development boards, but that LMC may wish to invest directly in some projects. He also put the view that LMC could help the government capture more value from regional infrastructure investments.

The committee clarified that DTED would be taking the lead role in identifying regional opportunities and discussed the potential for market or policy failures to

hinder investment in regional South Australia, noting that government led development in a region could encourage further private development, as it had in Whyalla.

The Under Treasurer advised that market failure was likely to be the exception rather than the rule and that there should be rigorous assessment of any such claims.

The committee was generally supportive of LMC involvement in regional SA, but requested that any proposed regional projects should come back to Cabinet.

LMC to seek Cabinet approval for any proposals to invest in regional SA.

4.5. Geothermal energy: possible infrastructure needs

Paul Heithersay was present for this item.

The committee noted the potential of the geothermal industry and the likely infrastructure challenges that it will face in the future.

4.6. Infrastructure requirements for Iluka mineral sands project in Eucla Basin

Paul Heithersay was present for this item.

Paul Heithersay briefly outlined the Iluka mineral sands project and the range of infrastructure that would be required to make it feasible, noting that the total cost of infrastructure for this project is high at around 55% of total capital investment.

The committee stated that the government would not subsidise single user infrastructure and agreed that the main role for government would be to provide a streamlined approval process. Paul Heithersay advised that a Eucla Basin Mineral Sands Project Steering Group led by Ted Tyne is already pursuing this.

The committee noted the need for timely approvals if the project is to proceed and therefore sought to ensure that the steering group has appropriate people involved.

5. OTHER BUSINESS

5.1. Westwood

Hon. Jay Weatherill provided a brief update on the negotiations with the Westwood developers regarding acceleration of the project, indicating that a deal had now been negotiated.

Minister for Housing to bring a submission to Cabinet on the Westwood development.



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