

Questions on notice – ALTRAC responses

The Hon. GREG DONNELLY: With respect to ALTRAC, does it have a formal board of directors and if it does can you go through who are the members of the board of directors?

Mr BRAMLEY: ALTRAC operates as a partnership, which is just a function of the structure. We do have formal partnership committees in the same way that a formal board meeting would be held. I am currently the chairman of that partnership committee.

The Hon. GREG DONNELLY: How regularly does it meet?

Mr BRAMLEY: It meets on a monthly basis. The other board members include representations from John Laing, First State Super and Acciona, and I am happy to take that question on notice just to make sure that I get all those entities correct.

Answer: ALTRAC confirms that the Partnership Committee is made up of representatives from First State Super, John Laing and Acciona Concesiones.

The Hon. DANIEL MOOKHEY: Why is a facility needed?

Mr BRAMLEY: Why is a facility needed?

The Hon. DANIEL MOOKHEY: Yes. Why is an interim liquidity funding facility required?

Mr BRAMLEY: Under the terms of the contract, ALTRAC is responsible for all of the financing during the construction phase of the project and, certainly, given the nature of the contract being a public-private partnership [PPP], as you will understand, ALTRAC does not receive any revenue until we provide services in accordance with the terms of the contract. So what we saw and what we recognised from an ALTRAC perspective was that, certainly, in order to continue to be able to progress the works, given some of the commercial difficulties and so forth, it was prudent for additional funding to be made available to the project in support of construction.

The Hon. DANIEL MOOKHEY: Were you not able to raise that additional funding from the private sector without a guarantee from the New South Wales Government?

Mr BRAMLEY: I think that is a question that I would perhaps prefer to take on notice.

Answer: It is possible to raise funding without a government guarantee. However, a Guarantee from the NSW Government reduces the cost of the debt and consequentially reduces the costs of the CSELR Project.

The Hon. DANIEL MOOKHEY: Have you been issued a default notice?

Mr BRAMLEY: Under the contract?

The Hon. DANIEL MOOKHEY: Yes.

Mr BRAMLEY: My advice, and I am happy to take this away and check, is that matters under the contract as between Transport and ourselves are, again, commercial-in-confidence, but I am more than happy to check that.

Answer: The commercial arrangements between ALTRAC and TfNSW are subject to strict confidentiality provisions and any correspondence received under the contract is commercial in confidence.

The Hon. DANIEL MOOKHEY: We issued with a default? Was ALTRAC consortium issued with a default notice under the contract by Transport for NSW earlier this year or at the end of last year?

Mr BRAMLEY: That is question I would have to take on notice.

Answer: The commercial arrangements between ALTRAC and TfNSW are subject to strict confidentiality provisions and any correspondence received under the contract is commercial in confidence.

Ms CATE FAEHRMANN: Mr Bramley, we heard yesterday, which I am sure you are aware of, from quite a few residents, in particular in relation to the complaints related to noise. There have been more than 2,000 complaints in relation to the construction of the project and 55 per cent of those have been noise-related. I have in front of me the ALTRAC light rail construction noise and vibration management plan. Are you aware of this plan?

Mr BRAMLEY: I am aware of that document yes.

Ms CATE FAEHRMANN: You can basically operate a certain amount in standard hours, and then there is a plan in here for when you operate outside recommended standard hours. Within standard hours, Monday to Friday 7.00 a.m. to 6.00 p.m.; Saturday 8.00 a.m. to 1 p.m., there is a part which has highly effective noise, which is 75 decibels and over. That suggests that if you were going to do this, you have to look at times which are identified by the community when they are less sensitive to noise, such as before or after school for works. It also says that if the community is prepared to accept a longer period of construction in exchange for restrictions on construction times—are you aware of whether that has happened with the 75 decibels or over?

Mr BRAMLEY: What I would say in terms of that question and perhaps the noise impacts more generally is that, as you have referred to, the contract does include that suite of documentation. We are implementing the works in accordance with those requirements. In terms of whether specific questions and requests for, certainly, out-of-hours work, that is a normal part of procedure and so forth. I think the specific question you asked was whether or not there has been consultation with residents as to perhaps changing working hours, if I have interpreted you correctly.

Ms CATE FAEHRMANN: Yes. And also whether the community was prepared to accept a longer period of construction in exchange for restrictions on construction noise?

Mr BRAMLEY: I would have to take that question on notice.

Answer: The Construction Noise and Vibration Management Plan notes the following in regard to highly noise affected activities (75 dBA):

Where noise is above this level, the relevant authority (consent, determining or regulatory) may require respite periods by restructuring the hours that the very noisy activities can occur, taking into account:

Times identified by the community when they are less sensitive to noise (such as before and after school for works near schools or mid-morning or mid-afternoon for works near residences.

If the community is prepared to accept a longer period of construction in exchange for restrictions on construction times.

I am advised that the regulatory authority has not specified that the construction contractor must restructure the hours that the noisy activities can take place. On that basis there has been no specific community consultation in relation to longer periods of construction.

Ms CATE FAEHRMANN: How many times has work been requested outside the standard hours – for example during the evening 10.00 p.m. or 11.00 p.m.?

Mr BRAMLEY: I would have to take that question on notice.

Answer: Works are only permitted to be conducted outside of standard hours where one or more conditions of the Environmental Protection Licence (EPL 20699) are satisfied. In accordance with the EPL, work has occurred most nights at various locations since commencement of works.

Ms CATE FAEHRMANN: Do you know whether strong justification has to be provided by ALTRAC? What would that be?

Mr BRAMLEY: In terms of justifications that would be required, I think that it is important to consider more broadly that the works which necessarily need to be undertaken in very dense urban environs are

subject to, as you identified, a number of stakeholders and so forth. There are clearly works that are perhaps better done out-of-hours for other reasons. AS I have noted in my opening statement, an amount of the work needs to be carefully co-ordinated with RMS and the needs of the broader community.

Ms CATE FAEHRMANN: Of course.

Mr BRAMLEY: So in terms of your question about justification and support, which I am happy to take on notice, and the number of requests and so forth, it is not necessarily of ALTRAC and/or our contractors just being able to perhaps do what we might ordinarily want to do. We are constrained by a number of different stakeholders and influences in that process.

Answer: I draw your attention to EPA Licence 20699, section L3 Hours of Operation which details the criteria by which works may be conducted outside of standard hours. This includes work for which the relevant road authority refuses to issue a road occupancy license that would allow those works or activities to be carried out to be in compliance with L3.1 or L3.2.

As the Transport Management Centre will not issue a Road Occupancy Licence to permit works to be undertaken during the day in some areas, such as Anzac Parade, ALTRAC must undertake the works at night when an ROL is granted.

Ms CATE FAEHRMANN: What do you have to do with that in relation to noise within that out-of-hours work protocol? Are you aware of some of the requirements?

Mr BRAMLEY: Yes. Under the planning approvals, and certainly under our method statement and construction noise obligations which are discharged by the D and C contractor, there are certainly limits and so forth about noise.

Ms CATE FAEHRMANN: How often have you exceeded those limits?

Mr BRAMLEY: That is a question I will need to take on notice. But what I would say is that from our perspective the construction management plans to which you refer were prepared and have been documented in advance of the construction works commencing.

Answer: As part of the Construction Noise and Vibration Impact Statements (CNVIS), predicted noise levels were developed for activities in each location; there are no limits defined in the CNVIS.

Under the Construction Noise and Vibration Management Plan there is a protocol which sets out the assessment process for out of hours works. This protocol includes a requirement that all mitigation measures are implemented, including noise monitoring which has been undertaken since commencement of the project.

Ms CATE FAEHRMANN: This Committee has heard from residents largely about noise. You are presenting before a Committee this morning after yesterday's evidence from, largely, extremely distressed residents, some of whom are suffering psychological conditions as a result of the fact they cannot get a good night's sleep. We have heard from many others who cannot. You have come here today unsure of whether you monitor noise at night. Is that correct?

Mr BRAMLEY: That is correct, yes.

Ms CATE FAEHRMANN: Even though in your management plan it says you have to monitor. If you do undertake noise monitoring, which is a condition of your management plan –

Mr BRAMLEY: Correct, yes, I understand that.

Ms CATE FAEHRMANN: It is tabled to the Committee all of the noise monitoring that you have undertaken and the conditions imposed upon you by the secretary or environmental representative?

Mr BRAMLEY: I will need to check the confidentiality provisions.

Ms CATE FAEHRMANN: How can it be confidential?

Mr BRAMLEY: Because that is the advice I have given. But if you just allow me to answer, I will be more than happy to provide that information, subject to the disclosure requirements under the contracts that we have had with Transport which may require their approval.

The CHAIR: Will you take the question on notice?

Answer: Noise monitoring is undertaken day and night in accordance with the Construction Noise and Vibration Management Plan and the EPA licence. Of the approximately 700 attended noise monitoring events conducted since commencement of works, over 450 were undertaken at night. In addition, a further 27 “unattended” monitoring events were conducted where the monitoring equipment was set up at a stakeholder’s premises to measure construction noise.

This is only undertaken after noise monitoring is offered to a stakeholder and they have accepted.

In the event that noise levels exceed the predicted levels, a review is conducted of the construction activities and controls to identify additional reasonable and feasible mitigation measures.

The CHAIR: What was the original completion date?

Mr BRAMLEY: The original date was January 2019. I will take that on notice, I think it might have been March 2019.

Answer: The original completion date was 16 March 2019

The Hon. DANIEL MOOKHEY: Has ALTRAC incurred more than \$2.1 billion in costs to date?

Mr BRAMLEY: Again, I would consider the costs we have incurred to be a matter of commercial-in-confidence.

The CHAIR: You could take it on notice.

Mr BRAMLEY: I am happy to take it on notice.

The CHAIR: You can take advice and give us a response.

Mr BRAMLEY: I reiterate under the confidentiality provisions of the documents that I would need to verify that with Transport.

Answer: ALTRAC has not incurred more than \$2.1 billion in costs to date.

The Hon. MATTHEW MASON-COX: As I understand it, there is a similar clause between ALTRAC and Acciona—of \$500,000 a day—which is uncapped, past March 2019, each day that the project is late. Is that your understanding?

Mr BRAMLEY: What I would clarify there is that the design and construct contract we have is with Acciona and Alstom in a joint venture arrangement. That is the first point of clarification.

The Hon. MATTHEW MASON-COX: That is the contract I am talking about.

Mr BRAMLEY: What I am happy to share is that there are penalties with that contract that we have for late delivery. I am not at liberty to provide what those damages are but there are certainly—

The Hon. MATTHEW MASON-COX: Mr Troughton did. So if you could comment on that, that would be appreciated. He put to the Committee that the liquidated damages of \$500,000 a day for every day from 31 March 2019 that the light rail line is not operational. Can you comment on that?

Mr BRAMLEY: Certainly, to the extent that it is, under the contract, determined that the D and C contract joint venture is responsible for the delays, then we have recourse to the D and C contractor. I am not at liberty to share that amount, under commercial in confidence, but there are certainly clear mechanisms downstream with the D and C contractor about their obligations to us in the event that they fail to perform.

The Hon. MATTHEW MASON-COX: Perhaps you could take that on notice.

Mr BRAMLEY: I am happy to do that.

Answer: The commercial arrangements between ALTRAC and its Core Contractors is subject to strict confidentiality provisions. As a result, ALTRAC confirm that the liquidated damages arrangements and amounts are commercial in confidence.