QUEENSLAND RACING COMMISSION OF INQUIRY

AFFIDAVIT OF CHRIS FULCHER

I, CHRIS FULCHER, of Level 1, 6 Innovation Parkway, Birtinya, in the State of Queensland, director, state on oath:

- 1. I refer to my affidavit sworn and delivered to the Commission on 5 August 2013. On about 13 August 2013, I received a second notice of "Requirement to Give Information in a Written Statement" from the Commission which attempts to clarify many of the issues contained in the Statement Notice ("the Second Statement Notice").
- The Second Statement Notice included a specific schedule of questions numbered 1 to 11 which this Affidavit responds to.
- In regard to paragraph 1(a) of the Second Statement Notice, Contour's first engagement with the Relevant Entities was on the Corbould Park Cushion Track at Caloundra. My understanding at that time was that the Relevant Entities had engaged a Sydney-based Project Management firm, Arben, to co-ordinate the design and construction of the new works. Much of the preliminary works and investigation into Cushion Track manufacturers had been previously done by Arben and the Relevant Entities prior to Contour's involvement. Arben's representative was a Project Manager named Martin Waters. Contour's representative was Thomson. Arben sought Fee Proposals from local engineering companies for design and construction supervision of the works. I am not aware of the details of the final selection process, as conducted by Arben and the Relevant Entities; however, Contour's proposal was accepted.
- 4. Contour treated the opportunity to provide a fee proposal as it would for any other project or new client. Being a locally-based company, in close proximity to the site and with a solid background of road, drainage and sporting field design, I believed at the time that Contour stood a good chance to win the work.
- 5. Exhibited hereto and marked with the letters "**CF-1**" is a true copy of the fee proposal for the Corbould Park cushion track at Caloundra dated 15 June 2007.
- 6. That fee proposal covered three phases:
 - (a) Detailed Civil Engineering design and documentation of the proposed track facilities, ambulance track, road-works, stormwater drainage, earthworks and sediment and erosion control;
 - (b) Civil Engineering Construction Phase Services, including the provision of As-Constructed drawings; and
 - (c) Construction Phase Environmental Management Plan.

7. In regard to paragraph 1(c) of the Second Statement Notice, at the time of the submission, Contour had no previous experience in racing infrastructure. However, it did have expertise and experience in general civil engineering design processes including the design and construction supervision of roads, which have similar requirements with respect to the determination of grades, super-elevation and drainage, to horse race tracks. Contour also had experience in various sporting fields and associated infrastructure.

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- 8. In regard to paragraph 2 of the Second Statement Notice, I do not have a clear recollection of Contour's first engagement as project managers for the Relevant Entities. Thomson was Contour's representative and main point of contact with the Relevant Entities throughout the Relevant Period of the Inquiry. He oversaw Contour's Project Management team. I believe that Contour's staff members have assisted Thomson in the preparation of a 'Chronology of Events', which is a summary of project-related information and I believe that this document has been delivered to the Commission to assist it in identifying the particulars of each project Contour was involved in for the Relevant Period.
- 9. In regard to paragraph 3 of the Second Statement Notice, I rely on the matters set out in paragraph 8 hereof and those matters are best addressed by Thomson. Generally, my involvement on any Relevant Entity project was related to concept feasibility or detailed engineering design, not project management.
- 10. I believe that all of the documentation related to each of the projects which Contour was involved in has been delivered to the Commission.
- 11. In regard to paragraph 4 of the Second Statement Notice, my understanding is that Contour's submission for the Corbould Park Cushion Track project was subject to a competitive process. I have no knowledge of the Relevant Entities' internal processes with respect to any other projects in which Contour was involved. I consider that this question is best directed to the Relevant Entities.
- 12. In regard to paragraph 5 of the Second Statement Notice, I believe that there are a limited number of engineering firms in the country that have the specialised skills and experience in the design of racing infrastructure. Contour is one of those engineering firms and another is Victorian-based Dalton Consulting Engineers.
- 13. In regard to paragraph 6 of the Second Statement Notice, I am unable to, within the timeframe provided by the Commission, provide the detailed particulars sought of each of the 63 projects as this would involve many weeks work and a review of each project's voluminous documentation, which has been provided to the Commission for its consideration.
- 14. However, I can say generally that for each of the Projects in which Contour was involved, it sought fee proposals from sub-consultants and presented quotes to the Relevant Entities for their consideration and approval.
- 15. Contour maintained a database of sub-consultants who had demonstrated proven experience and value. Generally sub-consultancy services in fields not relating to traffic or environmental engineering were sought and engaged through a competitive process. Contour would organise and review the quotes and generally make recommendations to the Relevant Entities based on factors which included price, timing, location and experience.
- 16. An example of this in operation is the field survey for Callaghan Park Race Track in Rockhampton. Contour liaised with three separate surveying companies, reviewed each submission, and made a recommendation to the Relevant Entities who ultimately appointed the firm, "Definium" to complete the works.
- 17. Where Contour sought fee proposals for environmental or traffic engineering from Duke or Hayes, it continued to benchmark their fees against those known by Contour from its own separate non-racing projects. Both Duke and Hayes are well known throughout the development industry and have a broad client-base, including many other consulting engineers. Their services have continually been the subject of a competitive process to win work. It is also noted that, since 2006, Contour, as engineers and project managers on hundreds of other non-racing projects, has been continually exposed to or sought quotes from other Environmental and Traffic engineers and were confident that fees proposed by both Duke and Hayes were competitive.
- 18. In regard to paragraph 7 of the Second Statement Notice, I believe that The Mannix Group is a company operated by Mark Snowdon ("Snowdon"). The Mannix Group has no ties or association with Contour. Contour did not engage the Mannix Group at any stage throughout

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the Relevant Period. Contour dealt with Snowdon from 2010 through to early 2012 as he became the Relevant Entities' development spokesman and Project Manager.

- 19. I believe that Milestone Management was a corporate vehicle for Russell Thompson ("R Thompson"). R Thompson was engaged by Contour on a contractual basis through Milestone Management. During his time with Contour, R Thompson, through Milestone Management, had some level of involvement in all of the Industry Infrastructure Plan ("IIP") projects, and co-ordinated construction of the Ooralea Track upgrade works at Mackay.
- 20. In March 2012 R Thompson gained employment with the Relevant Entities, as an in-house Project Manager.
- 21. I believe that Thomson is best placed to address the relationship between Contour and Duke Environmental.
- 22. In regard to paragraph 8 of the Second Statement Notice, I believe Thomson is best positioned to provide the Commission with a response as I was not part of the project management team at Contour, nor did I have significant involvement in contract tendering or supervise any of the construction works. Thomson was Contour's lead representative on these matters.
- 23. Predominately, throughout the Relevant Period, my role was the provision of management and guidance to Contour's detailed engineering and concept design processes. I met and corresponded with representatives from the Relevant Entities regularly during the planning of proposed upgrade works to racecourse infrastructure, but generally all higher level dealings were handled by Thomson.
- 24. In regard to paragraph 9(a) of the Second Statement Notice, I do not recall being involved in any discussions between Contour and the Relevant Entities in regard to Intellectual Property rights.
- 25. In regard to paragraph 9(c) of the Second Statement Notice I am unable to provide a meaningful response to the question posed since it would have been subject to negotiations and discussions at that time.
- 26. In regard to paragraph 10(a) of the Second Statement Notice, the nature of Contour's involvement with the IIP can, from my perspective, be separated into two distinct timeframes:

Period 'A' - Jan 2010 through to April 2011

During this period, Contour was heavily involved in providing the Relevant Entities with design concepts and feasibility analysis and reporting on possible upgrade works to the following venues:

Cairns	Townsville	Mackay	Rockhampton
Caloundra	Deagon	Doomben	Redcliffe
Albion Park	Logan	Ipswich	Parklands
Gold Coast	Beaudesert	*	

This investigative work was commissioned by the Relevant Entities to assist formulate their application to Treasury for a proposed grant of approximately two hundred and thirty million dollars.

To assist the Relevant Entities investigate and promote redevelopment options at each of the above venues, Contour's indicative range of tasks or areas of focus were as follows:

Preliminary Investigative Works

 Acquisition of existing site data including survey, as-constructed and miscellaneous sundry information

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- Acquisition of previous consultants reports or proposal plans
- Organisation of field survey
- Acquisition of flood records and model
- Review of Council constraint mapping and town planning guidelines
- Site inspections and on-site meetings
- Liaison with stakeholders and associated officials
- Local Authority Pre-Lodgement meetings
- Synthetic surface material analysis
- Project planning and review meetings with RQL

Concept planning Works

- Geometric layout designs for new race and training track configurations
- Building Design Plans and Architectural drawings
- Conceptual track profiles including sub-surface drainage
- Provision for public marquee areas
- Track typical cross sections
- Relocation of the existing winning post and associated movement of the finish line camera, judge & race caller
- New camera towers
- Communication and electrical services
- New sewer and water reticulation services
- Track irrigation
- Tunnel and ramp configurations
- Provision of a dedicated ambulance track
- Infield road, pathways and parking areas
- New infield access tracks
- Site car parking and over-flow car parking
- External car and horse float parking
- Provision of a trainers viewing hut
- Provision of an equine pool
- New Lakes and extensions to existing water bodies
- Possible subdivision of excess land currently part of the site
- Relocation of the barrier shed
- Provision of new maintenance facilities
- Track training lights
- High resolution race track lighting
- Provision of barrier rails and external security fencing
- Relocation of the existing services
- Preliminary track drainage analysis
- The provision of new major drainage infrastructure
- Provision of detention basins and water quality treatment measures
- Conceptual flood mitigation measures
- Detailed Flood Study
- Demolition and rebuilding of existing buildings
- New Grandstand and Public Facility buildings
- New Tie-up stalls and Swab Stall
- New Stables facilities
- Wash Down bays
- Walkers and Sand Rolls
- Relocation of the existing Mounting Yard
- Improved pedestrian connectivity through complex
- New ticketing station
- Track-use movement designs to cater for racing, training, patrons, officials and maintenance

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- Construction methodology investigations to suit ongoing training and racing requirements
- Project cost estimates including investigation into local market conditions and rates
- Preparation of feasibility reports including conceptual construction programmes
- Preparation of briefs for sub-consultants
- Liaison with and direction of sub-consultants
- General assistance with preparation the government Business Cases

The above list is a generalised summary provided to assist the Commission understand the type and extent of infrastructure improvements Contour investigated or documented on the various venues.

Contour performed these works on an hourly rates basis, as approved by the Relevant Entities.

Period 'B' - May 2011 through to Dec 2011.

I believe that the Relevant Entities received approval for the IIP from State Government for approximately \$110,000,000 in May 2011. This funding was for the following seven venues:

Cairns

Townsville

Mackay

Rockhampton

Deagon

Gold Coast

Beaudesert

The Relevant Entities agreed that Contour should continue to complete all the nominated works on an hourly rates basis, on the understanding that Contour would organise for the preparation of a Fee Proposal, once the specific requirements for each venue were identified and could be included in the scope of works.

- 27. In regard to paragraph 10(b) of the Second Statement Notice, the total sum charged to the Relevant Entities is approximately \$1,728,146 (excluding GST).
- 28. In regard to paragraph 11(a) of the Second Statement Notice, Contour's total company revenue for the period of 9 November 2005 through to 30 June 2013, amounts to approximately \$16,490,220 (excluding GST).
- 29. In regard to paragraph 11(b) of the Second Statement Notice, Contour's total revenue generated from services provided for the Relevant Entities amounts to approximately \$5,634,300 (excluding GST).
- 30. All the facts and circumstances to which I have deposed above are within my own knowledge except those to which I have deposed from information only and my means of knowledge and belief and sources of information appear on the face of this affidavit.

Sworn by CHRIS FULCHER on 22 August 2013 at 6 Innovation Parkway, Birtinya, QLD 4575 in the

presence of:

Deponent

Justice of the Peace/Solicitor/ Commissioner of Declarations