DRBA Overview 2010-2011

Business plan

The DRBA business plan continues to focus on three main objectives:

- expansion of the understanding of the DRB concepts as an extremely cost effective and efficient process for, in the first instance, dispute avoidance on construction projects, and where that outcome proves impractical, timely and economic dispute resolution;
- promoting the use of DRBs as the preferred dispute prevention and resolution model for significant projects;
- providing assistance to parties within the industry for the establishment and application of DRBs, including the provision of general advice and suggestions for tailoring to suit particular needs.

As you will see below, the DRBA’s focus on these objectives in 2010-2011 has been relatively successful.

DRBA Committee

The following were confirmed as elected at the AGM in September 2010

<table>
<thead>
<tr>
<th>Name</th>
<th>Representation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Don Charrett</td>
<td>Victoria</td>
</tr>
<tr>
<td>James D Barrett</td>
<td>Member representing Australian Constructors Association</td>
</tr>
<tr>
<td>Raj Ratneser</td>
<td>Western Australia and South Australia</td>
</tr>
<tr>
<td>Alan McLennan</td>
<td>Queensland</td>
</tr>
<tr>
<td>Michael Weatherall</td>
<td>New Zealand</td>
</tr>
<tr>
<td>Tom Fenwick</td>
<td>Member representing Principals</td>
</tr>
<tr>
<td>Ron Finlay</td>
<td>New South Wales</td>
</tr>
<tr>
<td>Doug Jones</td>
<td>New South Wales</td>
</tr>
<tr>
<td>Dick Kell (alternate Nicola Grayson)</td>
<td>Member representing Consult Australia</td>
</tr>
</tbody>
</table>

In accordance with the amended Rules, the retiring President, Graeme Peck, continued as an ex officio member of the Committee as Immediate Past president.
At the DRBA Committee meeting following the AGM, the following executive positions were agreed:

President: Doug Jones
Vice-President: Alan McLennan
Past President: Graeme Peck
Representative: Ron Finlay

Graham Easton continued in the second term of his appointed role as DRBF Country Representative Co-ordinator.

During the year, Raj Ratneser’s personal circumstances changed and he relinquished the role of a DRBA Committee member representing Western Australia and South Australia. The DRBA Committee appointed Spencer Flay to fill the casual vacancy.

**DRBA management procedures**

Routine management is the responsibility of the Executive group.

Full committee meetings have been held at nominal three month intervals.

Regional subcommittees meet on an ad hoc basis to identify prospects and initiate follow up contacts within their geographical areas of responsibility.

**Membership**

Membership of DRBA now stands at 100.

**Current, new and pending DRB Projects**

The acceptance of DRBs for major projects has continued to grow, particularly in Queensland and New South Wales. The table following identifies those current, new and definite pending projects of which DRBA is presently aware.

<table>
<thead>
<tr>
<th>DRBA No</th>
<th>Project Name</th>
<th>Type</th>
<th>City</th>
<th>State</th>
<th>Start Year</th>
<th>Finish Year</th>
<th>Owner / Principal</th>
<th>Contractor</th>
<th>Contract Value nearest $10mAUD$</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>Adelaide Desalination Project (2 contracts)</td>
<td>DBOM, Plant</td>
<td>Adelaide</td>
<td>SA</td>
<td>Apr-09</td>
<td>Dec-11</td>
<td>SA Water Corporation, Plant</td>
<td>AdelaideAqua Consortium, Plant MDBE JV, Transfer Pipeline</td>
<td>$1.824M combined value of plant &amp; TPS</td>
</tr>
<tr>
<td>15</td>
<td>Townsville Waste Water Upgrade Program- stage 2</td>
<td>Competitive ECI, Construct only</td>
<td>Townsville</td>
<td>Qld</td>
<td>Sep-09</td>
<td>Dec-10</td>
<td>Townsville City Council</td>
<td>Baulderstone Pty Ltd</td>
<td>$180m</td>
</tr>
<tr>
<td>17</td>
<td>Pacific Motorway Upgrade - Section B</td>
<td>Competitive ECI, D &amp; C</td>
<td>Old Gold Coast</td>
<td>Qld</td>
<td>Oct-09</td>
<td>Dec-11</td>
<td>Dept Transport &amp; Main Roads</td>
<td>Bielby Hull Albern Joint Venture</td>
<td>$200m</td>
</tr>
<tr>
<td>19</td>
<td>Digital Train Radio System</td>
<td>Design, supply, Install, Commission; ECI converted to Lump sum</td>
<td>NSW Electrified network</td>
<td>NSW</td>
<td>Jan-10</td>
<td>Oct-12</td>
<td>Rail Corporation of NSW</td>
<td>United Group Infrastructure Pty Ltd</td>
<td>$180m</td>
</tr>
</tbody>
</table>
20 New Outer Suburban Rail Cars, Stage 3  
Design, Build & Commission: Cost Reimbursable, Target price with pain share/gain share arrangements  
Sydney  
NSW  
Sep-09  
Apr-12  
Rail Corporation of NSW  
United Group Rail Services Limited  
$320m

21 Liverpool Turnback Project  
Management Contract, for main line extensions, new station works, new signalling system,  
Sydney  
NSW  
Jun-10  
TBA  
Transport Infrastructure & Development Corporation  
John Holland Constructions  
$75m

22 Douglas Arterial Duplication, Townsville (1-person DRB)**  
D & C  
Qld country  
Qld  
2010  
2011  
Depot of Transport & Main Roads  
NK  
$60m

23 Legacy Way  
D & C  
Brisbane  
Qld  
2011  
2014  
Brisbane City Council  
TransCity JV (BMD/Acciona/ Ghella)  
$650m

24 Bruce Highway - Cooroy to Curra Package 3  
D & C  
Qld country  
Qld  
2011  
2012  
Depot of Transport & Main Roads  
Synergy JV (CMC/Probuild/ Downer EDI Works)  
$650m

25 Glenfield to Leppington Rail Line (South West Rail Line)  
D & C  
Sydney  
NSW  
2011  
2015  
TCA  
John Holland Constructions  
N/K

26 Townsville Port Inner Harbour Expansion**  
D & C  
Townsville  
Qld  
2011  
2013  
Port of Townsville Ltd  
Seymour Whyte Smithbridge JV  
$110m

27 Auburn Train Stabling Yard  
D & C  
Sydney  
NSW  
2011  
2014  
TCA  
Laing O'Rourke  
$70m (approx.)

28 Bruce Highway - Cardwell Range Crossing**  
D & C  
Qld country  
Qld  
2011  
2012  
Depot of Transport & Main Roads  
Abigroup Ltd  
$90m

29 Bruce Highway - Cooroy to Curra Package 4**  
D & C  
Qld country  
Qld  
2011  
2012  
Depot of Transport & Main Roads  
Abigroup Ltd  
$105m

** Single Person DRB, appointed at time of Contract signing

PROSPECTIVE DRBs

NEW SOUTH WALES

Ausgrid  
City East Cable Tunnel (3 person DRB), commencing January 2012.

Xstrata  
Xstrata Coal Mine Upgrade (1 person DRB), commencing 2012 (probably 2 contracts)

QUEENSLAND

Brisbane Airport Corporation  
New Parallel Runway Dredging Contract (3 person DRB, commencing mid-2012)

Abbott Point  
Abbott Point Reclamation Project (3 person DRB, commencing early-2012)

Connors River  
Connors River Dam/Pipeline (3 person DRB, commencing early-2012)

NEW ZEALAND DRBs

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Type</th>
<th>City</th>
<th>Country</th>
<th>Start Year</th>
<th>Finish Year</th>
<th>Owner/Principal</th>
<th>Contract Value (NZ$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>HVDC Link, North to South Islands</td>
<td>Design &amp; Construct</td>
<td>Wellington</td>
<td>NZ</td>
<td>2009</td>
<td>2013</td>
<td>Transpower</td>
<td>$400m</td>
</tr>
</tbody>
</table>
PROSPECTIVE DRBs

NEW ZEALAND

The NZ Government has decided to adopt FIDIC conditions of contract on major infrastructure projects. Transpower has indicated that it will be implementing DRBs in the future.

OTHER MARKETING & EDUCATIONAL ACTIVITIES

DRBA Legal Workshop, Brisbane 2011

All eminent Brisbane construction lawyers were invited to attend a workshop hosted by Minter Ellison. The workshop attracted over 25 lawyers and there was active participation. Committee members Alan McLennan and Ron Finlay presented.

DRB Client Workshop, Brisbane, 2010

Committee members Alan McLennan and Ron Finlay presented a workshop for Clients/Principals and attracted over 20 attendees.

Clayton Utz Seminar, 2011

Committee members Doug Jones and Ron Finlay presented to a client seminar with over 50 participants.

DRBA Legal Workshop, Melbourne 2011

DRB members, George Golvan QC, John Sharkey and Ron Finlay presented a legal workshop to over 25 eminent Melbourne Legal Practitioners in November 2011.

DRBA INTERNATIONAL ACTIVITIES

Participation in DRBF

DRBA is linked with the International Dispute Resolution Board Foundation Inc (DRBF), as its Australasian Chapter. DRBF has expanded rapidly in recent years and now has representatives, interest groups and promotional activities in over 30 countries.

Internationally, DRBF has established two regions for administrative purposes, with Region 1 being the USA and Canada and Region 2 covering the rest of the world. DRBA is a part of Region 2 and has continued to participate in monthly Region 2 Board meetings as an invited guest. We believe our own experience in establishing DRBA has been very useful as a guide to several of the other international groups considering formation under the Region 2 banner.

DRBA as Region 3

Following discussions over the past two years between representatives of DRBA and the DRBF Executive Board, DRBA has been invited to become Region 3 of the DRBF. This evolution of our structure makes good sense when one considers the continuing growth in DRBA’s activities and our geographic remoteness within the Euro-centric Region 2.

The detailed proposal for the establishment of Region 3 will be a matter for the in-coming DRBA Committee to consider and negotiate with DRBF. A sub-committee of the DRBF Executive Board, which includes Graeme Peck and Graham Easton from DRBA, has already been formed to plan and manage the proposed transition during 2012.

The key features of the Region 3 proposal are:
1. DRBF will create a new Region 3, comprising of Australia and New Zealand. In addition, DRBA role will include fostering relationships with Singapore and Hong Kong.

2. DRBA will be invited to become the new Region 3 structure and Board, with representation on the DRBF Executive Board.

3. All DRBA members would become DRBF members and there would be transitional arrangements to transfer existing DRBA, non DRBF members to DRBF member status.

4. All membership fees from DRBA as Region 3 would be paid to DRBF.

5. DRBF, in consultation with DRBA as Region 3, would provide an annual budget for funding of DRBA’s activities.

6. There may need to be some minor amendments to DRBA’s Constitution, but the structure and objectives of DRBA will remain essentially unchanged.

Members will be kept fully informed as the Region 3 proposal moves forward. It is an important development which will provide DRBA with significantly greater funding, access to services and membership benefits as an integral part of DRBF worldwide.

**Al Mathews Award**

At the DRBF Annual Conference for Region 1, held in Seattle in September 2011, the DRBF Executive Board of Directors presented the prestigious ‘Al Mathews Award for Excellence’ to Graeme Peck for outstanding and valued service in the promotion of Dispute Boards in the construction industry. A copy of the DRBF Proclamation is attached to this Report.

The DRBA congratulates Graeme Peck on his continuing contribution and for receipt of the Al Mathews Award for Excellence – well deserved.

**DRBF INTERNATIONAL CONFERENCE, SYDNEY, MAY 2012**

DRBA has been awarded the hosting rights of the 12th International DRBF Conference in May 2012.

- **Subcommittee work**

  A conference subcommittee was appointed by the DRBA Committee under the chairmanship of Graeme Peck. The members of the Subcommittee are:

  - Graeme Peck (Chair);
  - Graham Easton;
  - Jim Barrett;
  - John Sharkey;
  - Tim Sullivan
  - Alan McLennan; and
  - Ron Finlay.

Subsequently the Committee has co-opted the services of Gianna Totaro.

- **Website**

  The DRBA website has been amended to include a special link to the conference website (see www.drba.com.au/conference).

- **Financial Arrangements**

  It was a term of the DRBA’s Committee’s acceptance of the hosting rights that its members not be exposed financially to the financial outcome of the Conference. Accordingly, the DRBF conference is wholly underwritten by DRBF.
• **Conference Programme**  
  The Conference programme is still in draft form, but the latest draft is attached to my Report.

• **Speakers**  
  Both international and Australian speakers and session Chairpersons have been identified by the Organising Committee and invitations have been issued.

**DRBA FINANCIALS**  
You will see from the Financial Report provided with the AGM papers that the DRBA is in good financial health and utilises its funds primarily for the promotion of DRBA’s core activities.

Doug Jones  
President  
DRBA – November 2011
Proclamation
of the Board of Directors of the
Dispute Resolution Board Foundation, Inc.

September 23, 2011,
the Board of Directors, on behalf of the
membership of the Dispute Resolution Board
Foundation, hereby recognizes

Graeme Maxwell Peck

as recipient of the 2011

Al Mathews Award for Excellence

for his outstanding and valued service in the promotion of Dispute Boards in the Construction Industry.

Graeme M. Peck has been a leader within the Australian construction community for more than four decades. Graeme served for 14 years as Engineering Director at Pearson Bridge Pty. Ltd. Graeme is a founding partner of the international engineering consultancy firm, Evans & Peck, and served as Managing Director and Chairman until his retirement. Graeme has contributed widely to the construction industry as a Visiting Fellow and Professor at the University of New South Wales; as a committee member and NSW President of the Australian Federation of Construction Contractors (now the Australian Constructors Association); and as the author of numerous papers on a variety of construction management topics. Graeme was recognized in 2004 by the Australian Constructors Association with the “Outstanding Service to the Australian Construction Industry” award.

Graeme has been an active and committed member of DRBF for many years and a driving force behind the establishment of the Australasian chapter (DRBA) in 2003. Graeme was the DRBA President from 2005 to 2009, serves on the DRBA Executive Committee as Past President and is Chair of the Organizing Committee for the 12th International Conference in Sydney in May 2012. In all his career roles, Graeme has promoted the DRB concepts of open and honest dealings, which are cornerstones of our DRB Foundation philosophy. We look forward to Graeme continuing his valuable participation and support towards the DRBF achieving its purposes and objectives.

The DRBF Board of Directors
DRBF 12th INTERNATIONAL CONFERENCE   3 – 5 MAY 2012

Venue: Dockside Conference Centre, Cockle Bay, Sydney, NSW

DRAFT CONFERENCE PROGRAM
(Revised 8 October 2011)

DAY 1 – THURSDAY 3 MAY 2012

DRB Advanced Training Workshop: “Lessons learned – how can we do better?”

0900 – 0915  Registration, coffee

0915 – 0930  Introduction and Outline of Workshop Topics [Chairman: TBA]

0930 – 1230  Workshop Sessions 1 and 2 [Workshop Leaders: TBA]

1230 – 1330  Lunch

1330 – 1630  Workshop Sessions 3 and 4 [Workshop Leaders: TBA]

Registration / Welcome Cocktail Reception

1700 – 1930  (Venue: Star Room, Darling Harbour)

DAY 2 – FRIDAY 4 MAY 2012

0830 – 0900  Registration, Coffee

0900 – 0905  Introduction by DRBA President (Doug Jones), followed by Welcome by DRBF President (Volker Jurowich).

0905 – 0910  Official Opening

0910 – 0930  Keynote Speaker: [Mr. Nick Greiner, Chairman, Infrastructure NSW]

0930 – 0935  Introduction by Principal Sponsor: [ACA]

0935 – 1050  Session 1 – Chairman

Dispute Board Concepts Internationally - Divergence or Convergence?

Three Speakers
1. USA approach (DRB)
2. FIDIC /MDB approach (DAB)
3. Australasian approach (DB)

1050 – 1110  Morning Coffee Break

1110 – 1250  Session 2 – Chairman
Dispute Avoidance – What does a Dispute Board offer?

Three Speakers
1. USA experience
2. Region 2 experience
3. Australasian experience

1250 – 1400 Lunch

1400 – 1530 Session 3 – Chairman

Owners’ Perspectives on Dispute Boards

Four Speakers
1. USA Owners
2. NSW TCA
3. Qld. TMR
4. Sydney Water

1530 – 1550 Afternoon Coffee Break

1550 – 1700 Session 4 - Chairman

Future Opportunities for Dispute Boards

Three Speakers
1. Region 1 opportunities.
3. Defence, manufacturing, oil and gas.

Networking Cocktail Reception

1800 – 2030 (Venue – Clayton Utz, 1 Bligh Street).

DAY 3 – SATURDAY 5 MAY 2012

0900 – 0935 Session 5 – Chairman

Dispute Boards in FIDIC Contracts

Keynote Speaker:
FIDIC developments:

0935 – 1050 Session 6 – Chairman

Key Legal Issues for Dispute Boards

• Recommendations v Determinations
• DBs v Adjudication
• Overlap with Arbitration
• Enforcement of Decisions
• Privilege
• Other current legal issues

1050 – 1110  MORNING COFFEE BREAK

1110 – 1250  Session 7 – Chairman

Recent Experiences with Dispute Boards

Four Speakers
1. Region 1 – North America
2. Region 2 - South Africa:
3. Region 2 - Europe:
4. Australasia:

1250 – 1400  Lunch

1400 – 1530  Session 8 – Chairman

Future of Dispute Boards in the Asia / Pacific Region

Q&A / Panel / Discussion

1530 – 1600  Session 9
– Conference Chairman / DRBA President
- Announcements re future DRBF conferences
- Conference closing ceremony

1600 – 1630  Afternoon Coffee

Gala Dinner

1830 – 2200  (Venue: Art Gallery of NSW)

DAY 4 – SUNDAY 6 MAY 2012

0900 – 1200  DRBF Executive Board Meeting
DRBF Region 2 Board Meeting