

Chronology

AGMC and/or MCGC categorically state that everything set out below can be corroborated.

1. AGMC currently leases the Golf Course from Council. The Lease commenced in July 1987
2. From 2001 to 2017, with the Council's approval, AGMC sub-leased the Golf Course to a Sub-tenant, namely Cosmo Pty Ltd trading as Logan City Golf Club Pty Ltd (LCGC).
3. For a period of ten years, from 2001 until 2010, LCGC successfully carried out its business on the course. Growing the course's membership and building improvements on the course, including a new Pro-Shop.
4. Around 2008, Council publicly announced it had approved funding to build a new duplicate sewer line through the suburb of Shailer Park.
5. In January 2011 Logan Water Alliance (LWA) announced publicly that the Council had found a way to save \$89 million: by constructing the new sewer line through "its Golf Course" instead of through the suburb of Shailer Park.
6. LCGC's turnover had increased every year from the date its lease had commenced right up until the day when the Council publicly announced its intention to construct a new sewer line through "its Golf Course"
7. Despite Council's initial announcement that the works would start immediately, there were numerous false starts. Council repeatedly changing the proposed start date for the works.

The false starts had exactly the same effect as closing the course; members cancelled their memberships. Every single social golf club booking was cancelled. Social golfers (previously contributing to more than fifty percent of revenue) chose to play elsewhere.

8. From January 2011 when Council made the initial announcement, membership numbers collapsed and revenue plummeted. It was impossible to sign up yearly memberships for a Golf Course that was about to become a construction site.
9. Initially the Logan Water Authority (LWA) was tasked with negotiating with AGMC and LCGC, and to come to a suitable arrangement whereby the Council could construct the new sewer line through the Golf Course and where AGMC and LCGC could be fairly compensated for the disruption to the Golf Course and their businesses.
10. It should be noted that under the head lease rent is paid as a percentage of turnover. The figures are audited each year. Council therefore had a circa twenty-five-year record of the Golf Course's turnover.
11. After extensive consultations with AGMC and LCGC, LWA proposed that Council would simply top up LCGC's revenue for the period commencing from Council notification of its intention to carry out the sewer line works, and pay this amount to top up LCGC's

revenue, right through the period, ending one year after the sewer line works and reinstatement of the Golf Course had been completed.

12. While the directors of LCGC and AGMC believed this to be a reasonable proposition at the time, they pointed out to LWA that it may well take longer than one year for the Golf Course to be able to reinstate its revenue and membership numbers to that which it had enjoyed prior to the Council announcing its intention to build the sewer line through the Golf Course.
13. Nevertheless, LWA's proposal was accepted by LCGC and AGMC on the understanding that the end date for the period of compensation may be reviewed.
14. It was acknowledged by all that this arrangement would hopefully prove to be fair to LCGC and AGMC. Allowing LCGC to continue with its business in the face of falling revenue and for LCGC to continue to pay its rent to AGMC. All parties acknowledging that Council would still be saving well more than \$80m by being allowed to redirect the new sewer line through the Golf Course.
15. Then enter Mr Silvio Trinca.
16. Mr Trinca was assigned, allegedly by himself, to take over the negotiations between Council and LCGC and AGMC. From the first day he got involved Mr Trinca made it clear to all that he did not agree with the negotiated and agreed compensation that had been reached between LWA and AGMC and LCGC. He repeatedly stated that there was no way that the Council would be paying out millions to LCGC or AGMC, or for that matter anyone else.
17. Mr Trinca then commenced new negotiations with LCGC and AGMC, purported that a new compensation agreement must be agreed under a land resumption process.
18. Having dismissed the Agreement reached between LWA, AGMC and LCGC, Mr Trinca then purported to negotiate a new resumption agreement. However, Mr Trinca was – at the same time - seeking the relevant Ministerial approval for a compulsory acquisition of the Golf Course land. Council purporting to resume the freehold interest it already owned. And ignoring the leasehold interest held by AGMC and LCGC. This duplicitous process removed the ability of both AGMC and LCGC to object to the resumption, removed any procedural fairness, and resulted in a Minister granting an approval based on the Minister having received inaccurate information.
19. AGMC and MGCC believe that the points made in 16-18 regarding the renegotiation of the compensation agreement and details of the resumption process, have been hidden from the Mayor, Councillors and other officers of the Council.
20. This conduct AGMC and MCGC believe to be – at the very least – negligent- and at the worst fraudulent.

21. The conduct surrounding the process of the land acquisition occurring not once, but twice. Since the Council ended up taking compulsory acquisition of two parcels of Golf Course land.
22. AGMC can demonstrate the veracity of these accusations. It being a matter of record as to:
 - a. When the requests were made of the Minister to approve the compulsory acquisition; and
 - b. When the resumption agreement was signed by AGMC and LCGC; and
 - c. When the Council's contractors entered the Golf Course.
23. Irrespective of the fact that LCGC and AGMC had a signed Resumption Agreement with the Council to access the Golf Course, the Council proceeded with a compulsory acquisition of the land.
24. When the works eventually did start, the effect on the Golf Course was devastating. The Council initially proposed to use a tunnelling method to construct the sewer line. However, in the first months of the works this method failed resulting in:
 - a. Immediate closure of the driving range to allow Council's vehicles to pass adjacent to the range. The driving range was LCGC's biggest source of revenue.
 - b. The area at the entrance to the Golf Course being turned into a plant yard and a storage area for construction materials.
 - c. Temporary roads were built throughout the Golf Course. Requiring hundreds of tonnes of stone and rubble to be carted in trucks throughout the Golf Course.
 - d. The entire front nine holes being closed and a new course layout being required.
 - e. Events were cancelled without notice.
 - f. Oil and water flooded the course with spillage into the creek (Apparently Council did not require to inform any of the Environmental Agencies!).
 - g. Play had to be diverted around the course.
 - h. Large machinery accessed across the course continually through the day.
 - i. The repair work being left to LCGC to address.
 - j. New roads being installed across the course to access machinery that was getting bogged in mud.

25. From the first month LCGC argued that what it was being paid in compensation by Council was completely inadequate. This situation continued for more than six years. LCGC telling Council it could not survive on the payments it was receiving from Council.
26. On the 19th August 2013, Council notified AGMC and LCGC that it had terminated its contract with the company who had been employed to tunnel under the Golf Course.
27. Council explaining that it had abandoned the tunnelling construction method, and that a new process would commence.
28. Contractual claims were received by Council from the Contractor who had been commissioned to carry out the tunnelling.
29. It is worth noting that those claims were resolved without the need of expensive litigation.
30. It was not until the end of the same year that LCGC were able to re-open a heavily repaired course in full.
31. It took Council until July 2014 to re-commence its second attempt at the works.
32. During this time Mr Trinca had the Council simply commence new “negotiations” with AGMC and LCGC to reach a second resumption agreement, to allow the Council to access a different section of the Golf Course.
33. AGMC refused to continue with the negotiations pointing out that the Golf Course was in a serious state of disrepair and that they hadn’t received any income for over one year. AGMC had lost confidence in Council’s ability to act in good faith.
34. LCGC on the other hand were desperate and were experiencing severe financial difficulties. Turnover had been decimated and numbers of members had reduced by more than 50%.
35. LCGC agreed and signed a new Resumption Agreement. Allowing Council immediate access to the Golf Course, despite Council knowing that AGMC (the tenant) had objected to this process.
36. Meanwhile the Council were, at the same time as entering a second resumption agreement with LCGC, again duplicitously making false representations to the Minister that a second compulsory acquisition was required over the Golf Course. This modus operandi allowed the Council to get LCGC’s approval to enter the site before receiving the Minister’s Approval for the compulsory acquisition.
37. This early access, purported by the Council to be legal on account of the second resumption agreement having been signed by LCGC.

38. AGMC can demonstrate the veracity of these accusations. It being a matter of record as to;
 - a. When the requests were made of the Minister to approve the compulsory acquisition; and
 - b. When the resumption agreement was signed by LCGC; and
 - c. When the Council's contractors entered the Golf Course.

47. Council proceeded with the works, resulting in the closing of the entire golf course.

48. The devastation to the course continued and members left in droves.

49. The second resumption agreement between Council and LCGC proved not to be worth the paper it was written on, as AGMC had feared all along.

50. Councils' actions caused LCGC's revenue to fall far short of its expenses. Staff were told to leave, that they could not be paid. Suppliers weren't paid. LCGC was incapable of paying for the works that were necessary to maintain the course.

51. LCGC and AGMC desperately tried to do what they could, including getting volunteers to carry out maintenance works on the course. LCGC and AGMC both being entirely cash strapped and unable to pay for anything.

52. Throughout the whole process, Council officers repeatedly assured AGMC and LCGC that the Council would compensate the relevant parties so that the course could be reinstated, and the relevant businesses would be made whole.

53. Ultimately the Council refused to pay the necessary funds to allow LCGC to continue as a going concern.

54. Throughout this entire period, irrespective of the Council's seemingly irresponsible actions, certain Councillors and Officers of the Council continued to assure AGMC and LCGC that they would both eventually be properly compensated.

55. In late 2016 AGMC requested an extension of LCGC's lease to facilitate the resolution of AGMC's and LCGC's claims against the Council.

56. This request was approved by Council, Council seemingly intent on coming through on what some of the Councillors and some Council Officer's promises had been, to resolve LCGC's claims.

57. Still having had no resolution to the matter at the end of that extended term, AGMC requested a second extension to LCGC's sub-lease.

58. This time Council's lie to AGMC, LCGC and the Club crystalised. Council advised AGMC that approval to the Sub-lease would only be granted on the condition that AGMC indemnify the Council against any claims it may have against LCGC!
59. Of course, this was impossible given the dire state of LCGC financials at this point, having received inadequate compensation. AGMC was owned by two retired golfers who were in no position to give such an unreasonable undertaking.
60. It therefore followed that the LCGC's sub lease was terminated.
61. In short order, LCGC was left in financial ruin and was eventually placed into liquidation. Both owners of the business, as a result, suffered severe financial hardship resulting in.
 - a. They lost their business.
 - b. One of them lost his family home.
 - c. One has been declared bankrupt.
 - d. The other is to this day is still fighting bankruptcy.
62. AGMC and its owners were not far from following suit into financial hardship.
63. It is worth noting that had the agreement reached between LWA, LCGC and AGMC been honoured by the Council then LCGC would have received compensation of more than \$6.4m.
64. It is nothing short of astounding to note, that despite what is set out above, Council ended up paying LCGC a total amount of only \$1.2m! (And that \$1.2m included payment for works associated with the sewer line that LCGC carried out at the Council's request)
65. If it were not for the recapitalization of AGMC in 2017, not only would AGMC have, like LCGC, gone bankrupt, and there would be no Golf Course in Meadowbrook today.
66. How much would it have cost the Council to reinstate "its Golf Course"?
67. AGMC proceeded to carry out much needed capital repairs to the greens and levies. (\$1.6m)
68. AGMC immediately started to attract patrons back to the course.

69. Shortly after this, AGMC provided further funding which enabled AGMC to carry out:
 - a. Extensive refurbishments to the clubhouse (\$2m)
 - b. Extensive upgrades to the Pro Shop (\$400k)
 - c. Build a new under cover Driving Range, including new floodlights (\$850k)
 - d. Build a new eighteen-hole Mini-Golf Course (\$1.4m)
70. Since the injection of capital provided by AGMC, I am pleased to say we have seen membership and revenue rise from the low of three hundred and thirty affiliated members and revenue of only \$1.2m, to current revenue of well over \$5.0m and the number of memberships now exceeding one thousand.
71. In 2017 AGMC commenced discussions with Council to resolve its compensation claim. Early interactions with Council Officers were promising. Council Officers once again acknowledging that there was indeed a significant claim to answer. AGMC graciously committed to invest any compensation monies into the Golf Course; which of course is an asset owned by Council and the community.
72. Council, on the instructions of the then acting CEO, Mr Trinca, informed AGMC that Council was not prepared to offer any further compensation and that the Council “would see AGMC in Court”!
73. AGMC filed papers in the Supreme Court on 31 May 2019.
74. Despite delays on Council’s part, a Mediation date was set for November 2020.
75. Council failed to send personnel who were capable of settling the matter at the Mediation (which is in fact, a requirement of the Supreme Court). It was clear to all who attended the Mediation that the Council Officers who did attend the Mediation had not been properly briefed – seemingly having had no idea as to the extent of the claims.
76. At the Mediation, AGMC offered to direct all compensation monies toward the Golf Course facility. That is, AGMC was happy to receive no money and that all monies paid by the Council would go towards the improvements to the Golf Course, a Council asset.
77. Although the Mediation was left without resolution, Council promised to review the facts and respond in a meaningful way by no later than the end of January. Council Officers explained that the delay was due to the upcoming Christmas break.
78. In February 2021, the solicitors who were acting at that time for the Council, Corr’s Chambers Westgarth, wrote and informed AGMC it would need a further 4 months before Council would be able to formally respond to the issues raised at the Mediation.

79. AGMC, while disappointed that Council was taking so long to respond, were somewhat heartened by the fact that Council was at least clearly intending to work through some sort of process before responding to AGMC.
80. The next time AGMC heard from Council was when Mr Trinca told Mr Tom Linskey at a public function in mid-March 2021: "that Henderson would be seeing him in Court".
81. Mr Linskey was somewhat baffled by Mr Trinca's statement, since Mr Linskey knew for a fact that Mr Trinca had never met Mr Henderson.
82. In late March, AGMC received notice from Clayton Utz that Council had relieved Corr's Chambers Westgarth of its duties and had appointed Mr Scott Sharry of Clayton Utz to act on the Council's behalf.
83. Mr Sharry's first communication was to confirm that Council was abandoning Mediation while at the same time suggesting that the Council might be prepared to pay something in respect of compensation!
84. AGMC has been reliably informed that such actions by Council are contrary to the rules of Mediation.
85. It has been clear to all involved with AGMC and MCGC, that since the appointment of Clayton Utz, any concepts around the Council being required to act as a "model litigant" have been completely abandoned by Council.
86. Council's appointment of Clayton Utz was, for AGMC and MCGC, yet another example of Mr Trinca's modus operandi. When he doesn't hear what he wants to hear from a consultant he fires them or replaces them.
87. Council, during the period when compensation to be paid by Council to LCGC was being disputed by Council, going through three firms of forensic accountants.
88. The Council Officer's tasked with heading up the negotiations with AGMC and LCGC and Council, being replaced, time and time again.
89. AGMC has literally spent more than one million dollars on legal fees. Doing nothing but arguing points of law. AGMC is sure that Council will have spent more. It is clear to everyone involved in the case that Council's tactics through Clayton Utz will do nothing except prolong the litigation and burden AGMC with more legal fees until AGMC abandons its case.
90. AGMC say categorically that this approach will fail. If this matter is not mediated and settled, it will end up in Court. That is when the Councillors and Officers of Council will understand the case for the first time (save perhaps for Mr Trinca).
91. The Lord Mayor and all of the Councillors of Logan will hear, the whole sorry story of how the Council, led by Mr Trinca, abandoned any semblance of procedural fairness.

92. On the 2nd of December 2021 AGMC, through its solicitors Mullins, wrote to Council seeking Council's consent for AGMC to make an application, on behalf of MCGC for a new Liquor Licence and Gaming Licence.
93. AGMC is reliably informed that AGMC's lease contemplates such an application and that in terms of its Lease the Council has an obligation to "acting reasonably" give AGMC the consent it has requested.
94. Clayton Utz responded on the 23rd of December 2021, requesting further information.
95. Clayton Utz requested that the information be received on or before the 15th January 2022.
96. Mullins responded to Clayton Utz on the 14th January 2022.
97. To date, neither Mullins or AGMC have heard anything further from either the Council nor Clayton Utz.
98. AGMC and MCGC would argue that this is typical of the modus operandi that is employed through Clayton Utz, by the Council.
99. AGMC writes to Council asking that Council's consent to AGMC being allowed to spend millions of dollars on a Council Asset.
100. Building a facility that will result in hundreds of jobs being created. Many of those jobs being permanent.
101. And Council takes three weeks to respond.
102. And when it does respond it seeks further information.
103. And requests on the day before Christmas Eve, that AGMC respond in a time frame that in effect allows zero business days to respond.
115. And AGMC has its solicitors work through the Christmas Break so as to give to Clayton Utz its response by the required date.
116. Now, five months from the Council's receipt of AGMC's Application, AGMC has heard nothing from neither Clayton Utz nor Council!
117. So much for the Council wishing to promote a Covid Recovery!
118. The facts are, that the Consent sought of Council, if granted by Council will result in
 - a. The sustainable existence of the MCGC for decades to come
 - b. The expenditure of millions of dollars on a Council Asset at no cost to the Council

- c. The creation of over 100 jobs, 18 of which will be permanent
- d. Yet another facility, paid for by AGMC, for the benefit and enjoyment of the residents of Logan.
- e. The quantum of rent being received by the Council being tenfold the rent that it received in the last year of LCGC's existence. And being infinitely more than the rent that the Council would have received since 2017 had AGMC not been recapitalized.

Tom Linskey

25th March 2022