17 July 2026
E26863.G99

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Letter to address Comments from Department of Climate Change, Energy, the Environment and Water (DCCEEW) 45-53 Macleay Street, Potts Point, NSW

1. INTRODUCTION

At the request of THE CHIMMES PP PARTNERSHIP PTY LTD (the Client), EI Australia (EI) has prepared this Letter for the proposed development at 45-53 Macleay Street, Potts Point, NSW (the Site). The purpose of this letter is to address comments from DCCEEW from the document referenced below.

EI has been provided the following documents by the client for the purposes of preparing this letter:

- Letter from DCCEEW, Reference No. OUT26/5058, dated 1 May 2026.

The following reports were already prepared by EI for the subject site:

- Additional Geotechnical Investigation (AGI) report, reference No. E26863.G04, dated 10 November 2025;
- Groundwater Seepage Analysis (GSA) report, Reference No. E26863.G12_Rev1, dated 10 July 2026; and

The proposed development involves the demolition of the existing site structures and the construction of a fifteen-storey residential development overlying a four-level basement. The lowest basement level is assumed to have a Finished Floor Level (FFL) of RL 15.2 m AHD. A Bulk Excavation Level (BEL) of RL 14.9 m AHD is assumed, which includes allowance for the construction of the basement slab. To achieve the BEL, excavation depths to 13 m Below Existing Ground Level (BEGL) have been estimated. Locally deeper excavations may be required for footings, lift overrun pits, crane pads, and service trenches.

2. SENSITIVITY ANALYSIS

EI undertook a sensitivity analysis to assess the potential variation in groundwater inflow volumes and the associated impacts on the surrounding area. The analysis considered upper-bound permeability values derived from the site investigations together with a broader groundwater zone of influence. Based on the sensitivity analysis, the estimated groundwater inflow increased from approximately 1.5 ML/year under the baseline scenario to 2.03 ML/year. The sensitivity analysis also predicted a corresponding increase in groundwater drawdown; however, the associated settlements remained small and are not anticipated to adversely affect adjacent properties.

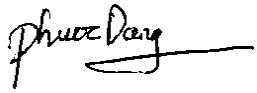
3. COMMENTS

Based on the results from the AGI and GSA reports referenced above, EI's comments are as follows:

- Groundwater was encountered within relatively low-permeability sandstone bedrock. Accordingly, groundwater inflows to the excavation are expected to be limited and manageable.
- The estimated groundwater inflow during both the construction and operational phases is approximately 1.5 ML/year up to 2.03 ML/year, based on the baseline and sensitivity analyses.

- Based on the measured groundwater levels, EI considers that groundwater is likely to be perched at the soil-rock interface and within defects of the sandstone bedrock. Accordingly, minor seepage into the excavation is expected as these defects and seams will be drained during excavation.
- Based on the GSA, including the sensitivity analysis, the proposed dewatering is not anticipated to adversely affect adjacent properties. Accordingly, EI considers that the proposed **drained basement** is a feasible solution from both geotechnical and hydrogeological perspectives.

For and on behalf of,
EI Australia

Author	**Technical Reviewer**
	
Gokul Pothineni Geotechnical Engineer	Huu Dang Principal Design Engineer

Attachment: DCCEEW RFI

NSW Department of Climate Change, Energy, the Environment and Water

Our ref: OUT26/5038

Michelle Niles
Planning Group
NSW Department of Planning, Housing and Infrastructure

Email: michelle.niles@planning.nsw.gov.au

1 May 2026

Subject: **Detailed design for shop top housing with in-fill affordable housing – 45-53 Macleay St, Potts Point (SSD-83867719) – Environmental Impact Statement**

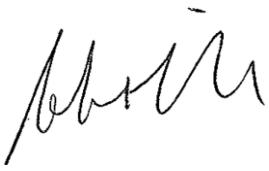
Dear Michelle Niles,

I refer to your request for advice sent on 15 April 2026 to the NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW) Water Group about the above matter.

The NSW DCCEEW Water Group has reviewed the Environmental Impact Statement and makes a recommendation to review the groundwater inflow calculations and groundwater impact assessment. Please see Attachment A for further detail.

Should you have any further queries in relation to this submission please do not hesitate to contact the DCCEEW Water Assessments team at water.assessments@dcceew.nsw.gov.au.

Yours sincerely



Rob Brownbill,
Manager, Water Assessments, Planning and Knowledge Division
NSW Department of Climate Change, Energy, the Environment and Water

Attachment A

Detailed advice to DPHI Planning & Assessment regarding the Detailed design for shop top housing with in-fill affordable housing – 45-53 Macleay St, Potts Point (SSD-83867719) – EIS

1.0 Water take and licensing

1.1 Recommendation – pre approval

Department of Planning, Housing and Infrastructure (DPHI) requests the proponent to:

- Review the groundwater inflow calculations and drawdown assessment. This is to improve the confidence in the calculations of groundwater take and impacts.
- Complete an assessment against the minimal impact considerations of the NSW Aquifer Interference Policy (NSW AIP) if the groundwater take exceeds 3 ML/yr.
- Adopt a tanked basement design.

Explanation

The predicted groundwater inflows in the Groundwater Impact Assessment (Appendix W) of 1.5 ML/yr is considered low when the proposed basement is more than 13 m below the groundwater level. The significant depth of excavation below the groundwater level suggests the likelihood of higher groundwater inflows and associated potential drawdown impacts and dewatering management requirements. A review of the groundwater inflow assessment, including the conceptual model, hydraulic parameters and modelling calculations is recommended.

An assessment against the minimal impact considerations of the NSW AIP is required if the groundwater take exceeds 3ML/yr.

The proposed drained basement at significant depth below the groundwater level represents an ongoing risk to the water source from continual dewatering and to the development. To mitigate this risk it is recommended a tanked basement design be adopted.

Please see the following documents for guidance:

- Groundwater assessment toolbox for SSD/SSI
- Minimum requirements for building site groundwater investigations and reporting.
- https://publications.water.nsw.gov.au/watergroupjspui/bitstream/100/2618/1/NSW%20Aquifer%20Interference%20Policy.pdf
- https://www.water.nsw.gov.au/sites/default/files/2025-07/Aquifer-Interference-Assessment-Framework.pdf

1.2 Recommendation – post-approval

That Department of Planning, Housing and Infrastructure requests the proponent to obtain a water access licence (WAL) to account for the maximum predicted water take for construction and operation activities unless an exemption applies under the *Water Management (General) Regulation 2025*.

Explanation

The Groundwater Impact Assessment (Appendix W) includes a seepage analysis which has predicted groundwater inflows of 1.5 ML/yr during the construction period, and for the drained basement during the operation period. This volume may change based on Recommendation 1.1 above. Under the *Water Management Act 2000*, if groundwater is intercepted a WAL must be obtained prior to any water take occurring unless an exemption under the *Water Management (General) Regulation 2025* applies. An exemption may be available for water take during construction activities in coastal water sources under Clause 6 of Schedule 4 of the WM Reg, or where the groundwater take during construction or operation is less than or equal to 3ML per water year (cl 19, sch 4 of WM Reg). To claim either of these exemptions certain requirements must be met, such as

- the person claiming the exemption keeps a record of the water taken under the exemption and provides this to the Minister within 28 days of the end of the water year; and
- the records are kept for 5 years.

Further information on these requirements and other information on licensing and approvals and exemptions, including a form to report and record water taken can be found at:

https://www.water.dcceew.nsw.gov.au/our-work/licensing-and-approvals and
https://www.water.dcceew.nsw.gov.au/our-work/licensing-and-approvals/dewatering

End Attachment A