



NSW GOVERNMENT
Department of Planning

***MAJOR PROJECT ASSESSMENT:
Emirates Luxury Tourist Resort, Wolgan
Valley***



Director-General's
Environmental Assessment Report
Section 75I of the
Environmental Planning and Assessment Act 1979

April 2007

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EXECUTIVE SUMMARY

On 12 May 2006, the Acting Minister for Planning approved the concept plan for the Emirates luxury tourist facility at Wolgan Valley near Lithgow. The proposed site of the facility is located adjacent to the Greater Blue Mountains World Heritage Area. The approval was given for a resort complex, ancillary facilities such as a reception building, a spa complex and staff accommodation, and associated infrastructure (internal roads, utilities works, helipad and landscaping).

Since this approval, Emirates has been negotiating a land swap with the Department of Environment and Conservation, which would result in 39.5 hectares of cleared grazing land within the Wollemi National Park being transferred to Emirates' ownership in return for Emirates dedicating 114 hectares of high conservation land to the Greater Blue Mountains World Heritage Area.

Emirates is now seeking to modify the layout of the approved concept plan and to include additional infrastructure including a gatehouse, pool building, stables, and an electricity line and fibre optic cable. As part of this modification Emirates proposes to relocate some of the resort facilities into land that is owned by the Department of Environment and Conservation and that forms part of the Wollemi National Park. Emirates is also seeking project approval for the modified concept plan.

The proposal has a total capital investment value of \$60 million, and would employ 150 workers during construction and 100 workers during operation.

The Department received forty seven submissions on the proposal during exhibition: 7 from public authorities, 6 from special interest groups and foundations, and 34 individual submissions from the general public. Submissions from public authorities raised no objections to the proposal and provided recommended conditions of approval. The majority of public submissions, including submissions from special interest groups and foundations, opposed the modified proposal. The main issues raised as grounds for objection in the submissions include the use of National Park land, water supply and impacts on Wolgan River, traffic impacts (including helicopter flights), impacts on European heritage items, fauna and flora impacts and visual impacts associated with the electricity line and feral fence.

The Department has assessed the merits of the proposal, and is satisfied that the proposed mitigation measures and recommended conditions of approval would address the concerns raised in submissions and would ensure that the proposal would not generate unacceptable environmental impacts on the surrounding area.

The Department is satisfied that the proposal offers significant economic and social benefits to NSW and in particular the Lithgow region, as it would:

- provide jobs for over 200 people, many of whom are likely to come from the local area;
- provide an annual boost to spending in the region;
- provide a world class tourist resort on the boundary of the world heritage area, and increase the tourist potential of the Blue Mountains; and
- enhance the infrastructure and services to the broader population in the Wolgan Valley.

Additionally, the Department considers that the project will eventually result in a net benefit to the Greater Blue Mountains World Heritage Area through the land swap currently being negotiated between Emirates and Department of Environment and Conservation. Consequently, the Department believes the proposal is in the public interest, and should be approved subject to conditions.

1. BACKGROUND

Emirates proposes to develop a luxury resort in the Wolgan Valley, adjacent to the Greater Blue Mountains World Heritage Area (GBMWH) north-west of Sydney (see Figure 1).

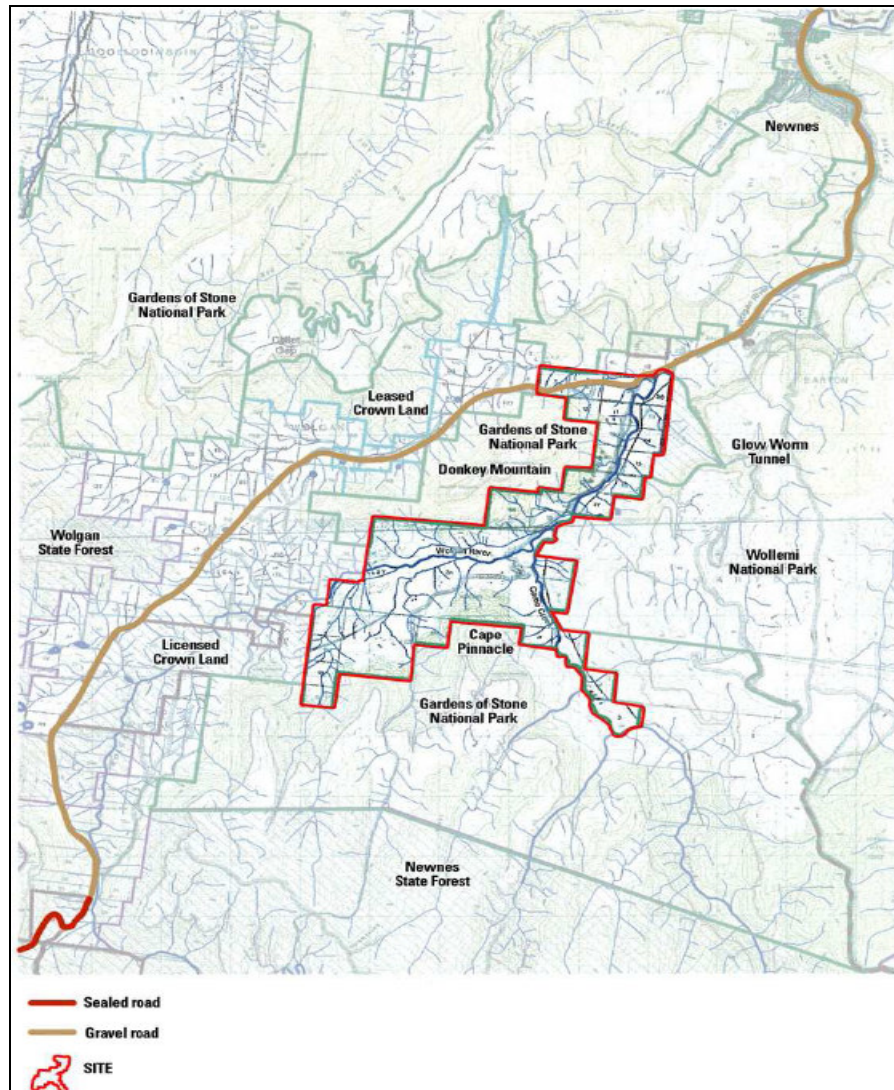


Figure 1: Regional Context

On 12 May 2006, the Acting Minister for Planning approved a concept plan for the proposed resort (refer to Figure 4).

Since this approval, Emirates has been negotiating a “land swap” with the Department of Environment and Conservation (DEC). This land swap would result in DEC transferring 39.5ha of mainly cleared grazing land on the edge of the GBMWH to Emirates (see area shaded yellow in Figure 2) in return for Emirates dedicating 114ha of high conservation land to the GBMWH (see area shaded blue in Figure 2). This land swap would enhance the conservation value of the GBMWH.

Although there are various legal and administrative procedures that need to be completed before the land swap can be finalised, the proposed land swap has been endorsed by Cabinet and agreed to in principle by the Minister for the Environment.

While the land swap is being finalised, the Minister for the Environment has agreed to lease the land in the GBMWH (that is subject to the land swap) to Emirates. To take advantage of this agreement, Emirates proposes to modify the layout of the approved resort to locate part of the resort on land within the GBMWH.

On 20 November 2006 Emirates lodged two applications with the Department:

- one to modify the approved concept plan for the resort; and
- the other seeking project approval for the modified concept plan.

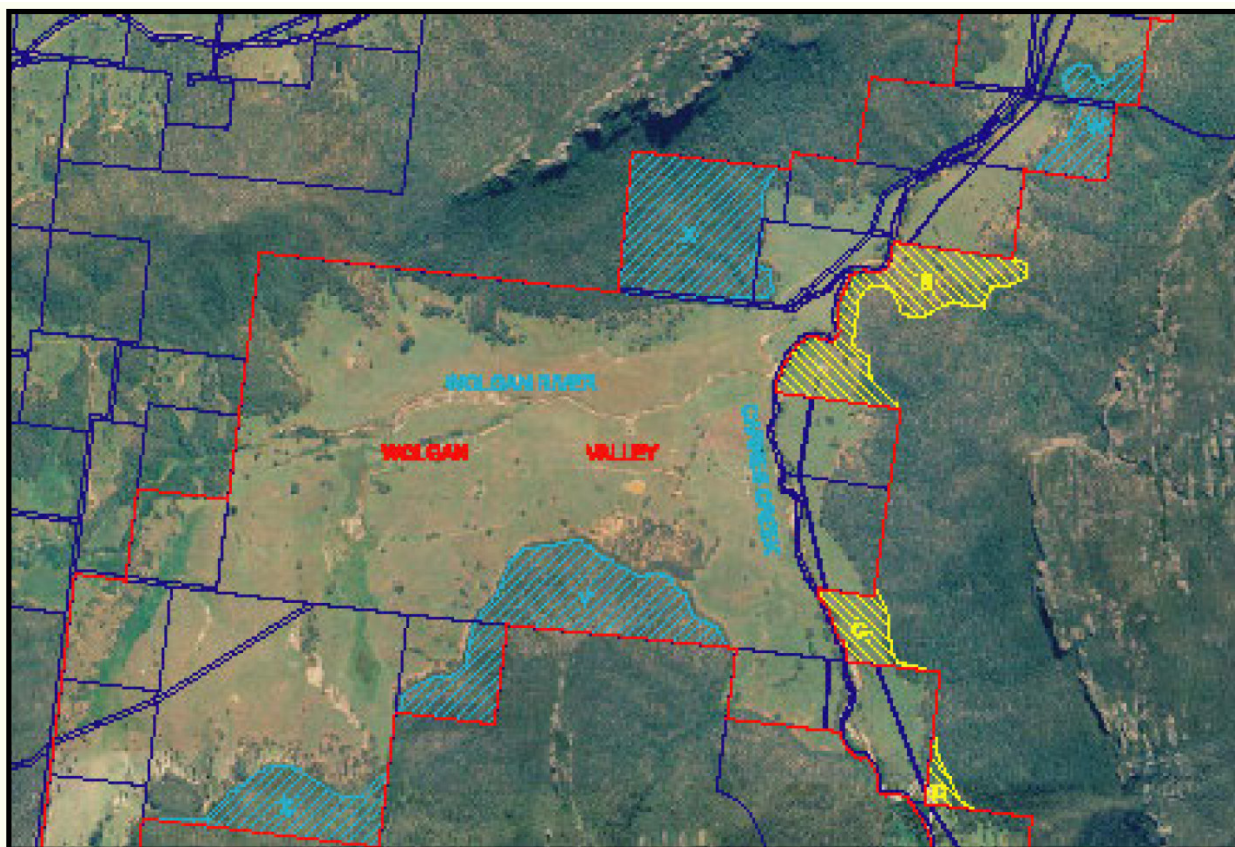


Figure 2: Area to be Exchanged

2. PROPOSED DEVELOPMENT

Modifications to the Concept Plan

The key modifications sought to the approved concept plan are described in Table 1 and illustrated in Figure 3, while details of the approved concept plan are illustrated in Figure 4.

Table 1: Comparison of the Approved and Proposed Modified Concept Plan

Component	Approved	Proposed Modification
Resort	<ul style="list-style-type: none"> • 40 villas with a total gross floor area 4,260m², including: <ul style="list-style-type: none"> ○ 35 standard suites; ○ 3 royal suites; and ○ 2 owner's suites. • resort facilities located on both sides of the Wolgan River. 	<ul style="list-style-type: none"> • 40 villas with a total gross floor area 4,080m² including: <ul style="list-style-type: none"> ○ 36 standard suites; ○ 3 royal suites; and ○ 1 owner's suites. • all resort facilities, except the helipad, located on the eastern side of the Wolgan River.
Resort – Ancillary Facilities		
Gatehouse	<ul style="list-style-type: none"> • NA 	<ul style="list-style-type: none"> • addition of a gatehouse to function as a security point and welcoming point for guests.

Component	Approved	Proposed Modification
Main reception building	<ul style="list-style-type: none"> including administration, gift shop, lounges, library, restaurant, bar and conference rooms. maximum gross floor area of 3,868m² 	<ul style="list-style-type: none"> minor design changes. reduction in the maximum gross floor area to 3,128m²
Spa building	<ul style="list-style-type: none"> including a gym, change rooms, spa, sauna, pools, and various treatment rooms 	<ul style="list-style-type: none"> minor design changes.
Pool building	<ul style="list-style-type: none"> NA 	<ul style="list-style-type: none"> addition of a pool building to include pool, pool deck, covered outdoor area and change rooms.
Stables	<ul style="list-style-type: none"> NA 	<ul style="list-style-type: none"> stables to house 12 horses.
Staff Accommodation	<ul style="list-style-type: none"> accommodation for 128 staff. 	<ul style="list-style-type: none"> minor design changes. accommodation for 100 staff.
Associated Infrastructure Internal Roads	<ul style="list-style-type: none"> internal road network including a one lane wide road and gravelled pathways for smaller vehicles (i.e., golf type buggies). 4 bridge crossings of Wolgan River. 	<ul style="list-style-type: none"> realignment of internal road network to respond to modified layout. 1 bridge crossing and two "splash through" crossings.
Utilities	<ul style="list-style-type: none"> on site sewerage system including the tertiary treatment of wastewater. electricity supply not finalised. telephone and communication services not finalised. 	<ul style="list-style-type: none"> no change to sewerage system. Installation of an electricity line and fibre optic cable along Wolgan Rd to service the site.
Helipad	<ul style="list-style-type: none"> helipad located on the eastern side of Wolgan River adjacent to the staff/maintenance area. helipad to accept 4 flights a week. 	<ul style="list-style-type: none"> relocation of the helipad to the western side of the Wolgan River. no change in the number of flights.
Water Supply	<ul style="list-style-type: none"> harvesting rainwater from the roofs of the buildings; an extension of mains water supply to the site; and effluent re-use for non-potable uses and irrigation. 	<ul style="list-style-type: none"> no change to water supply. increased water storage capacity on site.
Incorporation of National Parks Land	<ul style="list-style-type: none"> all resort facilities located on freehold land. 	<ul style="list-style-type: none"> relocation of some of the resort facilities into the adjacent Wollemi National Park.
Feral Proof Fence	<ul style="list-style-type: none"> location and design not finalised. 	<ul style="list-style-type: none"> incorporation of a 10km feral proof fence. fence will traverse from Cape Pinnacle in a northerly direction, crossing the Wolgan River, to Wolgan Road terminating at Tunnel Creek.

While the proposed layout of the resort has been changed, the general location, scale and intensity of the development on the site would remain the same.

Project Application

Emirates has also lodged a project application for the resort, including all of the components described in Table 1. This application was accompanied by an Environmental Assessment which addressed the requirements outlined in the detailed concept plan approval (see Appendix E).

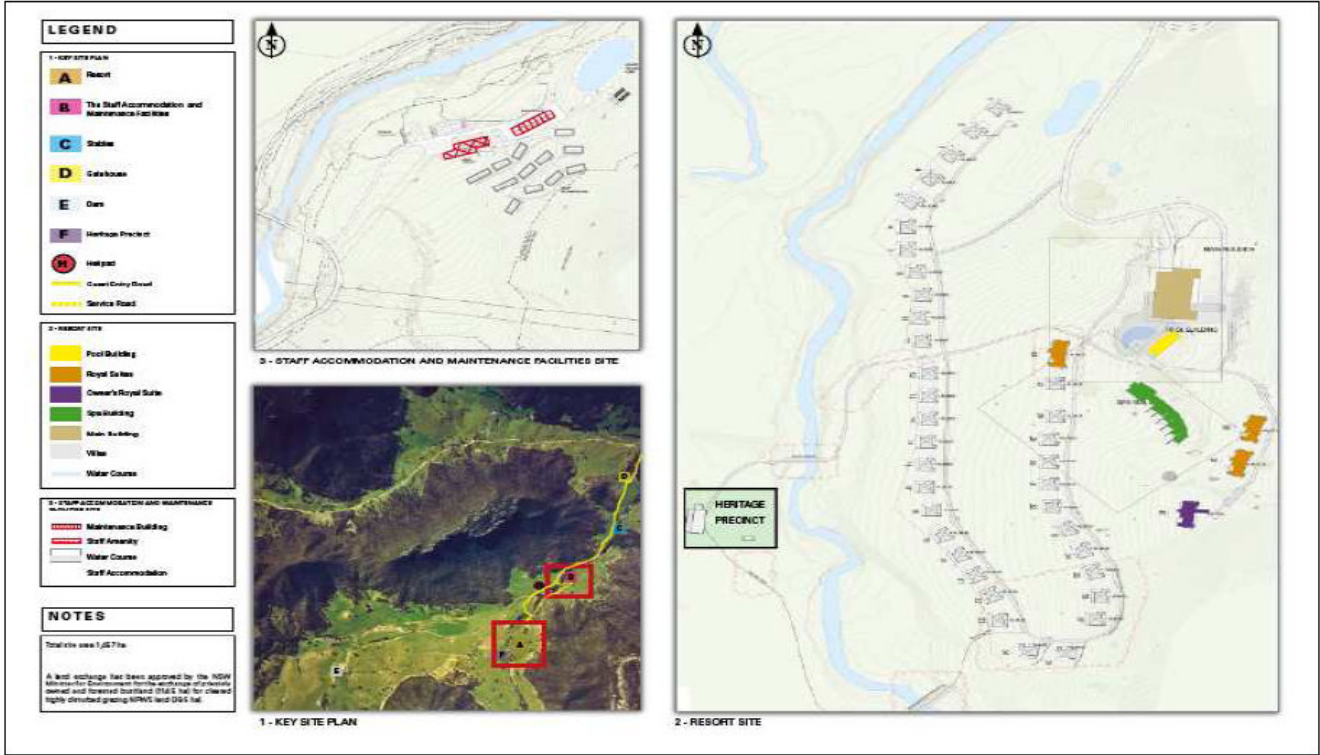


Figure 3: Proposed modified site layout

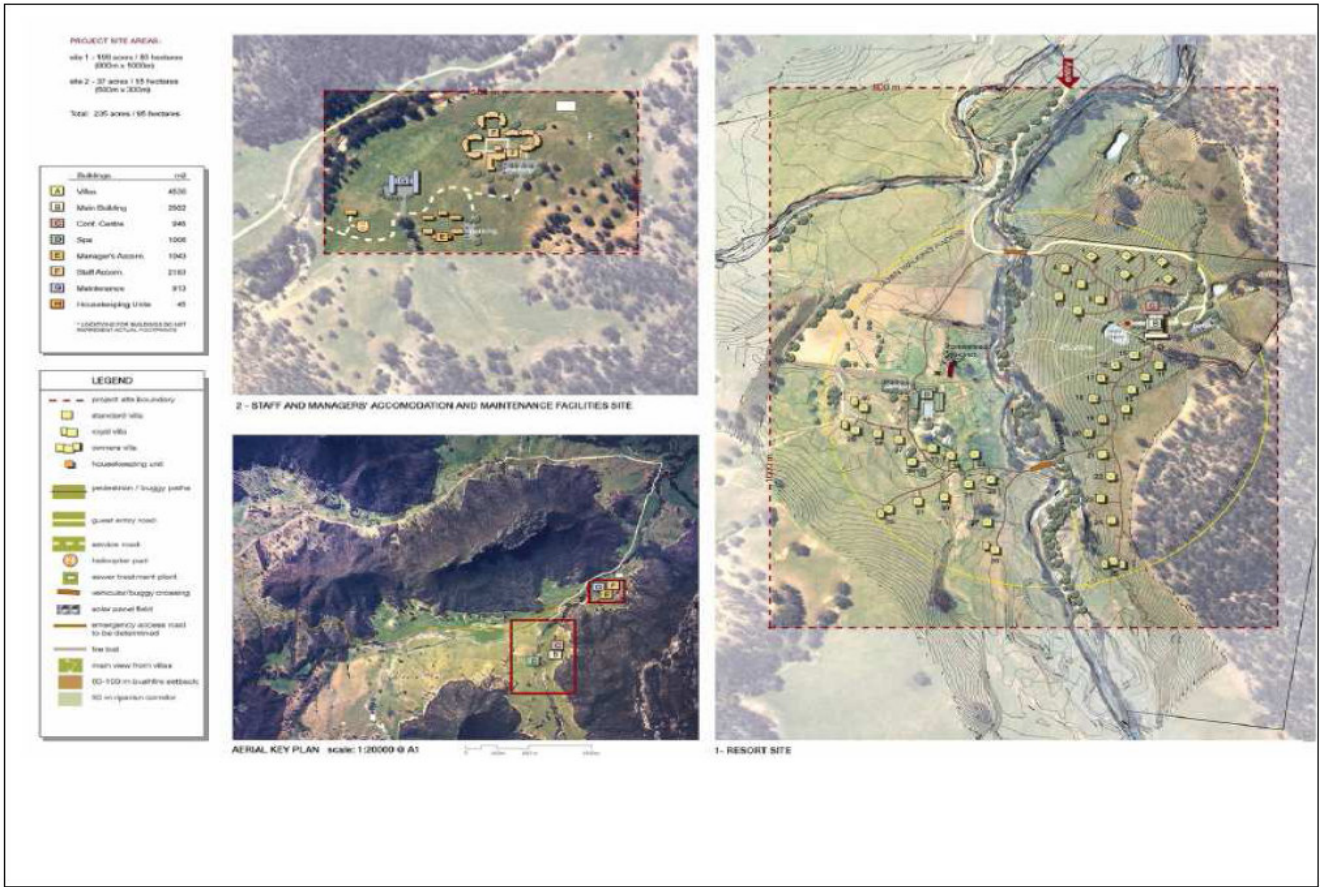


Figure 4: Approved Concept plan

3. STATUTORY CONTEXT

3.1 Major Project

The proposal is classified as a major project under Part 3A of the *Environmental Planning and Assessment Act 1979* (the Act) because it meets the criteria of Clause 17 of Schedule 1 of the *State Environmental Planning Policy (Major Projects) 2005*, namely the development of a tourist related facility that would employ more than 100 people.

The Minister approved the concept plan for the proposal and as such is the consent authority for any modifications of the concept plan. Additionally, the concept plan approval required all subsequent project application(s) to be lodged with the Department for determination by the Minister.

3.2 Permissibility

Under Section 75J of the EP&A Act, the Minister cannot approve the carrying out of a project that would be wholly prohibited under an environmental planning instrument. The site is predominantly zoned 1(a) Rural (General) under the *Lithgow City Local Environmental Plan 1994* (LCLEP 1994) and the proposed tourist facility is permissible with consent in the zone.

Components of the tourist facility would be constructed on land zoned 8 National Parks and Nature Reserve under the LCLEP 1994 and the proposal is prohibited in this zone. However, as the proposed tourist facility is not wholly prohibited the Minister is able to approve the carrying out of the project.

3.3 Exhibition

Under Section 75H(3) of the EP&A Act, the Director-General is required to make the environmental assessment of a project publicly available for at least 30 days.

After accepting the environmental assessment for the project, the Department:

- made it publicly available from 23 November 2006 until 22 December 2006:
 - on the Department's website, and
 - at the Department's Information Centre, Lithgow City Council and the Nature Conservation Council;
- notified relevant State government authorities and Lithgow City Council by letter;
- notified landowners in the vicinity of the site about the exhibition period by letter; and
- advertised the exhibition in the Lithgow Mercury.

This satisfies the requirements in Section 75H(3) of the EP&A Act.

3.4 Environmental Planning Instruments (EPIs)

Under Section 75I of the EP&A Act, the Director-General's report is required to include a copy of, or reference to, the provisions of any *State Environmental Planning Policy* (SEPP) that substantially governs the carrying out of the project.

The Department has considered the project against the relevant provisions of several SEPPs, and is satisfied that none of these SEPPs substantially govern the carrying out of this project.

3.5 Statement of Compliance

Under Section 75I of the EP&A Act, the Director-General's report is required to include a statement relating to compliance with the environmental assessment requirements with respect to the project.

The Department is satisfied that, subject to the additional information provided in Emirates' response to submissions, the environmental assessment requirements have been complied with.

4. ISSUES RAISED DURING CONSULTATION

During the exhibition period, the Department received 47 submissions on the proposal:

- 7 from public authorities (Department of Environment and Conservation (DEC), Department of Natural Resources (DNR), Heritage Office, New South Wales Fire Brigades, NSW Rural Fire Service, NSW Department of Primary Industries (DPI) and the Greater Blue Mountains World Heritage Area Advisory Committee);
- 6 from special interest groups; and
- 34 from the general public.

None of the public authorities objected to the proposal. However, they have recommended several conditions of approval which have been incorporated into the recommended conditions of approval for both applications.

Almost all of the submissions from the special interest groups and general public objected to the proposed modifications. The main grounds for objection were:

- **Inappropriate use of National Park land:** most of the submissions argued that the resort should be located wholly on private land, as originally proposed. They objected to the use of National Park land, claiming it would be inconsistent with the Wollemi National Park Plan of Management (PoM) and unlawful under the *National Parks and Wildlife Act 1974*. They were also concerned about the potential ecological impacts of allowing horses to be stabled adjacent to the National Park, and the potential for the proposed feral proof fence to restrict access to (or alienate) parts of the National Park and the grave of Christiana Nichol Williams.
- **Water:** concern was raised in submissions about the water demand of the proposed resort, which is now predicted to be almost double the demand predicted for the approved concept plan, claiming this could have an adverse impact on environmental flows in the Wolgan River.
- **Transport:** several submissions reiterated earlier concerns that over time the helipad would become a heliport and spoil the amenity of the GBMWH, and about the lack of detail on the proposed upgrade of Wolgan Road.

Other issues raised include the:

- potential visual impacts of the feral fence and proposed power line along Wolgan Road;
- potential impacts on threatened flora and fauna from the construction of the feral fence and associated baiting, and the noise from helicopter movements; and
- noise from helicopter movements impacting on the amenity of residents in the valley and park users.

Emirates has prepared a response to issues raised in these submissions (see Appendix C).

5. ASSESSMENT OF ENVIRONMENTAL IMPACTS

5.1 National Park

As discussed previously, Emirates proposes to relocate some of the resort facilities into land currently within the Wollemi National Park, as illustrated in Figure 5. These facilities include:

- access roads;
- 7 villas with guest pools;
- part of the main resort building (the remaining section would be constructed on the adjoining freehold land);
- underground services (electrical, mechanical and hydraulic);
- rainwater tanks; and
- landscaping and fencing.

An existing dam within the National Park would also be upgraded.

Development within a national park is governed by the *National Parks and Wildlife Act 1974* (NP&W Act). Under section 151 of the NP&W Act, the Minister for the Environment has the powers to lease land within a National Park:

"The Minister may:

- (a) *grant leases of land within a national park or historic site for the purpose of:*
- (i) *the erection thereon of accommodation hotels or accommodation houses, or*
 - (ii) *the provision thereon of facilities and amenities for tourists and visitors..."*

Additionally, section 81(4) of the NP&W Act states that:

"Despite anything in this or any other Act or in any instrument made under this or any other Act, if the Minister has adopted a plan of management under this Part, no operations shall be undertaken in relation to the lands to which the plan relates unless the operations are in accordance with that plan."



Figure 5: Facilities to be located within National Park lands

As previously discussed, the Minister for the Environment has given his in principle agreement to the proposed land exchange and the possibility of leasing some of this land as an interim measure while the land exchange is finalised. However, there are a number of conditions relating to this agreement. These conditions require that the use of land to be compliant with the NP&W Act, relevant plans of management and the GBMWA Strategic Plan, and there is an onus on Emirates to demonstrate how the proposal is compliant.

The relocation of some of the resort facilities into the Wollemi National Park was the key issue raised in submissions and the primary reason why the majority of submissions from members of the general public and special interest groups objected to the proposal. The submissions claim the proposal is inconsistent with the Wollemi National Park PoM, and consequently unlawful under the *National Parks and Wildlife Act 1974*.

The Department has examined this issue in some detail in consultation with the DEC, and has been advised by DEC that there do not appear to be any legal impediments under the *National Parks and Wildlife Act 1974* to either the land swap or Emirates' proposal to locate part of its resort on land that

currently forms part of the GBMWhA. However, it is important to recognise that even if such impediments did exist, there are certainly no legal impediments in the EP&A Act that would prevent the Minister from determining either of these applications.

Essentially the Minister is required to consider the proposal on its merits.

The land that would be used in the GBMWhA is essentially devoid of vegetation, and has little or no conservation value. Under the proposed modification there would be some, but limited, development on this land, which is unlikely to have an adverse impact on the adjoining land in the GBMWhA that does have some conservation significance. Consequently, the Department is satisfied that the proposal is unlikely to have an adverse impact on the GBMWhA, and that the concerns about the proposal are driven by fundamental concerns about locating private development in the GBMWhA rather than substantive concerns about the merits of this particular proposal.

In addition, it should be acknowledged that Emirates would only be allowed to build on the land in the GBMWhA if it dedicates 114 hectares of high conservation value land to the GBMWhA, and that the dedication of this land would ultimately enhance the conservation value of the GBMWhA.

Concern was also raised in public submissions that the proposed feral fence would restrict public access into the Gardens of Stone National Park and Donkey Mountain. This fence would be approximately 10km long, commencing at Cape Pinnacle and terminating at Tunnel Creek. The fence would predominantly traverse along Wolgan Road and would cross the Wolgan River at two locations. The feral fence is supported by DPI and neither DEC nor DNR object to the fence.

Currently access to the Gardens of Stone National Park and Donkey Mountain is via two locations off Wolgan Road. To maintain access Emirates proposes to install a gate at these locations, with access to be controlled by DEC. Access would also be possible via the resort gatehouse. The Department considers that the measures proposed by Emirates would ensure public access to these areas is maintained and recommends that Emirates continues to negotiate the management of access points with DEC.

Concerns were also raised in submissions regarding the impact of horse riding on National Park land. Approximately, 12 horses would be stabled on-site and Emirates propose to restrict horse riding to irrigation areas and fire trails on site. The Department notes that horse riding is permitted within certain areas of both the Wollemi and Gardens of Stone National Parks and is satisfied that impacts on National Park land could be minimised and appropriately managed.

5.2 Soil and Water

Construction

Emirates has prepared a Soil and Water Management Plan detailing the measures that would be implemented to manage erosion and sedimentation impacts during construction. This plan includes details of the proposed measures such as the installation of control devices (siltation fences, straw bale sediment filters and diversion swales) and the construction of sedimentation ponds for the collection of contaminated stormwater. The Department considers that these measures are appropriate, however, Emirates has indicated that following the awarding of the contract for the construction of the facility, the contractor would provide further information regarding the proposed measures to manage erosion and sedimentation during construction. The Department therefore recommends that Emirates be required to provide a revised Soil and Water Management Plan prior to construction.

Water Supply

Under the approved concept plan, the average daily water demand of the resort was expected to be 64.6kL/day, which equates to 23.6ML/year. Now that the detailed design of the resort has been complete, this water demand is expected to rise to 120kl/day or approximately 44ML per year.

However, this demand would be supplied from the same water sources as before:

- rainwater harvesting: under harvestable rights (i.e., the right to harvest up to 10% of the average rainfall runoff from the site and store it in one or more farm dams) Emirates is permitted to harvest up to 116ML a year of rainwater runoff from the site; and
- extraction of water from the Wolgan River and Carne Creek.

The existing water entitlements for the site are well in excess of the 44ML of water that is required by the proposed resort each year. Therefore, the Department is satisfied that adequate provisions have been made to meet the water requirements for the project.

Emirates is currently entitled to extract a total of 102ML of water from the Wolgan River and Carne Creek through two irrigation licences. These licences permit Emirates to extract 60ML and 42ML per year from Wolgan River and Carne Creek, respectively. Emirates proposes to convert these irrigation licences to an industrial/commercial licence(s). The Department of Natural Resources (DNR) has indicated that it is possible to convert an irrigation licence (low security) to an industrial/commercial licence (high security). However, the conversion is likely to result in a reduction of the annual entitlement. The entitlement has not yet been calculated however it is unlikely to fall below 50ML/yr.

A number of submissions from the general public and special interest groups raised concerns about the impact of the extraction of water on Wolgan River, particularly in regards to the minimising the quantity of water extracted, maintaining environmental flows and impacts on flora and fauna dependent on this water source. Historical gauging of flows in the Wolgan River indicate that there was a base flow of 2ML/d between the years 1977 to 1985, while recent gauging indicates a daily flow of approximately 4 and 5ML downstream of the proposed site. Emirates has predicted a base flow in Carne Creek of more than 3.5ML per day.

From the above measurements and predictions of flow in the Wolgan River and Carne Creek, the Department and DNR are satisfied that the water requirements of the resort (0.12ML per day) can be met without impacting on environmental flows of these waterways. Therefore, the Department considers that the facility would have minimal impact on Wolgan River/ Carne Creek and any fauna and flora dependent on these water sources. DNR have indicated that in converting the existing licences to high security licences conditions will be placed on the licences which will prohibit the extraction of water during periods of low flow. Therefore, the Department does not consider that it is appropriate to limit extraction during periods of low flow, as this requirement will be a condition of any water licence Emirates obtain for the facility. Subsequently, the recommended conditions of approval require Emirates to secure all necessary approvals for the extraction of water from the Wolgan River and Carne Creek prior to the commencement of construction.

Under the modified proposal Emirates proposes to increase the water storage capacity of the resort by constructing a new 116ML dam on the site. Initially, this dam was going to be located on a 'river' as classified under the *Rivers and Foreshores Improvement Act 1948* and DNR did not support the construction of the dam due to the licence embargo on water licences within the Hawkesbury-Nepean Catchment. To address DNR's concerns Emirates has relocated the dam "off-line". As such, DNR considers that the licence embargo constraints are no longer relevant and that there is no need for a water licence to install and operate the dam as the capacity of the dam is within the property's maximum harvestable rights.

Wastewater

The site is currently not serviced by sewerage and Emirates proposes to treat all wastewater on site. Waste water would be collected and pumped to a central wastewater treatment plant where effluent would be treated to a tertiary level (i.e., filtration and disinfection) prior to being discharged to either an irrigation supply tank or a 9ML wet weather storage. As such the effluent is considered to be of low strength (i.e., low levels of nutrient, biological oxygen demand and total dissolved solids). The majority of organic solids would be broken down during the treatment process and any accumulated solids would be removed every 3 to 5 years and sent to Council's STP for treatment.

Emirates proposed to re-use treated effluent for irrigation of landscaped areas and of a dedicated effluent disposal area. In accordance with DEC guidelines Emirates has undertaken modelling to determine the optimum size of the irrigation area, as well as the wet weather storage. Additionally, Emirates has undertaken geotechnical investigations to determine the suitability of the soil structure to accommodate the application of irrigated effluent.

Based on this assessment Emirates has estimated that a wet weather storage volume of 9ML and a dedicated disposal area of 14.2 ha is required for the storage and re-use of treated wastewater. The wet weather storage provides 75 days of storage of effluent and has been designed to allow an uncontrolled release once every two years. While this design is consistent with DEC guidelines, uncontrolled releases are not permitted under the *Protection of the Environment Operations Act 1997*,

and as such the recommended conditions of approval require Emirates to revise the design of this storage to ensure no uncontrolled discharges occur.

Geotechnical investigations indicated that overall the soils associated with irrigation areas both in the landscape areas in the resort precinct and the dedicated effluent disposal area are weakly to moderately structured with a low capacity to retain phosphorus. Therefore, there is potential that with continuous irrigation soils could leach phosphorus and become dispersive. To improve the suitability of the soils for irrigation Emirates propose to condition the soils through aeration and the addition of gypsum and organic matter. Soils would be re-tested for suitability prior to irrigation and the soil chemistry would be assessed yearly to monitor impacts. The Department considers that soil impacts from the irrigation of effluent can be minimised through the measures proposed by Emirates.

The irrigation of the treated effluent also has the potential to impact on nearby water courses and groundwater levels. Emirates has therefore proposed a range of measures to minimise any impacts, including:

- the provision of a rain sensor to ensure irrigation does not occur during rain events;
- provision of a 50m buffer zone between irrigation areas and the Wolgan River consistent with DEC guidelines. Additionally, the effluent disposal area is located over 500m from staff and resort facility which exceeds the requirements of DEC and Australian and New Zealand Environment and Conservation Council/Agriculture and Resource Management Council of Australia and New Zealand (ANZECC/ARMCANZ); and
- the lining of the wet weather storage dam to minimise any accessions into groundwater.

In addition, Emirates has prepared a monitoring program for soils, surface water and groundwater to assess the impacts of the irrigation of the treated effluent. This plan outlines parameters to be measured, frequency of sampling, sampling locations and management measures should non-conformances be identified. The Department considers that the monitoring regime proposed by Emirates is appropriate and has been prepared in accordance with relevant guidelines. Notwithstanding, the recommended conditions require Emirates to undertake the management and monitoring of the irrigation system in accordance with this plan.

In summary, the Department considers that an appropriate level of consideration has been given to the treatment and re-use of wastewater on site and potential impacts arising from the storage and irrigation of treated effluent. The Department is satisfied that the irrigation system has been designed in accordance with relevant guidelines and that potential impacts from the irrigation of wastewater can be minimised through the mitigation measures proposed by Emirates and the recommended conditions of approval.

Contamination

A preliminary assessment of contamination undertaken for the concept plan identified 15 areas of potential contamination, primarily located within and near the existing farm compound located to the west of the Wolgan River. Potential contaminants include chemicals generally associated with farming practices such as asbestos, heavy metals, pesticides and organic compounds (e.g., polychlorinated biphenyls and polycyclic aromatic hydrocarbons).

As previously discussed, the majority of the proposed tourist facilities would be located on the eastern side of the Wolgan River. Emirates proposes to conserve a number of buildings within the farm compound and therefore limited excavations are proposed in the areas of potential contamination. However, one of the buildings would be demolished and associated waste would be transported off-site for disposal. Emirates has committed to the preparation of a contamination remediation plan to investigate and document soil contamination at the site. The Department supports this commitment and considers that any potential soil contamination can be managed through the management measures proposed by Emirates.

5.3 Transport

Access to the proposed tourist facility is via Wolgan Road. Additionally, a limited number of guests would access the site via helicopter.

Wolgan Road is in poor condition and due to concerns raised during the exhibition of the concept plan for the facility in 2005, the Department commissioned an independent review of the traffic impact assessment of the proposal and road safety audit of the road. Therefore, the traffic impacts of the

proposal (construction and operational impacts) have been assessed by the Department previously. The Department notes that the proposed changes to the concept plan predominantly relate to the design of the facility and as such the traffic impacts associated with the proposal have not changed and therefore the recommendations from the Department's original assessment are considered current and applicable to the project application.

The assessment concluded that the traffic impacts of the proposal could be adequately managed with a combination of road improvements (in the short, medium and long term), and traffic control/management measures. Emirates has included a construction traffic management plan to support the project application for the tourist facility. This plan details existing traffic conditions and measures to manage traffic impacts during construction. The Department considers that the management of construction traffic to ensure safety on Wolgan Road is not compromised is a key issue for the construction phase of the project. Subsequently, the Department considers that further consideration of measures to manage construction is required, and as such the recommended conditions of approval require Emirates to revise the traffic management plan.

It is noted that in December 2006, Lithgow City Council secured two thirds of the estimated \$3.6 million to upgrade the Wolgan Road, with the remaining third to be provided by Council. The Department considers that Emirates should make an equitable contribution towards the proposed upgrade of Wolgan Road, and subsequently, this requirement has been incorporated into the recommended conditions of approval.

One of the concerns raised in submissions from the general public was that the helipad would become a heliport in the future. The impact of helicopter flights was assessed as part of the original concept plan for the proposal, and Emirates is not seeking to increase the number of flights from that approved for the concept plan. The facility would generate four helicopter flights a week (i.e., 8 helicopter movements), and Emirates has committed to prepare a flight neighbourly agreement in consultation with the Civil Aviation Safety Authority. This commitment is supported by the Department and the Department considers that impacts would be minimal due to the low number of flights. Notwithstanding, the recommended conditions of approval limit the number of flights to the facility to four per week.

5.4 Heritage

Aboriginal Heritage

An initial survey of the site has identified a number of Aboriginal sites as well as 3 areas of potential significance (PADs), as illustrated in Figure 6. Identified sites vary from the presence of a single artefact through to an open scatter consisting of hundreds of artefacts, while one site contains rock art. The entire site is assessed as having medium to high archaeological significance.

The majority of the Aboriginal sites and PADs are located in areas designated for conservation and as such the proposal is unlikely to have an impact on these sites. However, the internal access road and the resort facilities (villas and associated infrastructure) would be located in areas of potential significance (PAD 1 and 3). As such, Emirates is currently undertaking testing excavations in these areas to determine the nature and extent of any subsurface archaeology in these areas. While this assessment has not been finalised, the Department considers that any impacts on heritage items can be managed through the recommended conditions of approval which require Emirates to:

1. prepare and implement an Aboriginal heritage management plan detailing the results of the test excavations and outlining measures to manage impacts on items of Aboriginal heritage prior to the commencement of construction; and
2. seek approval from the Director-General prior to destroying or relocating heritage items.

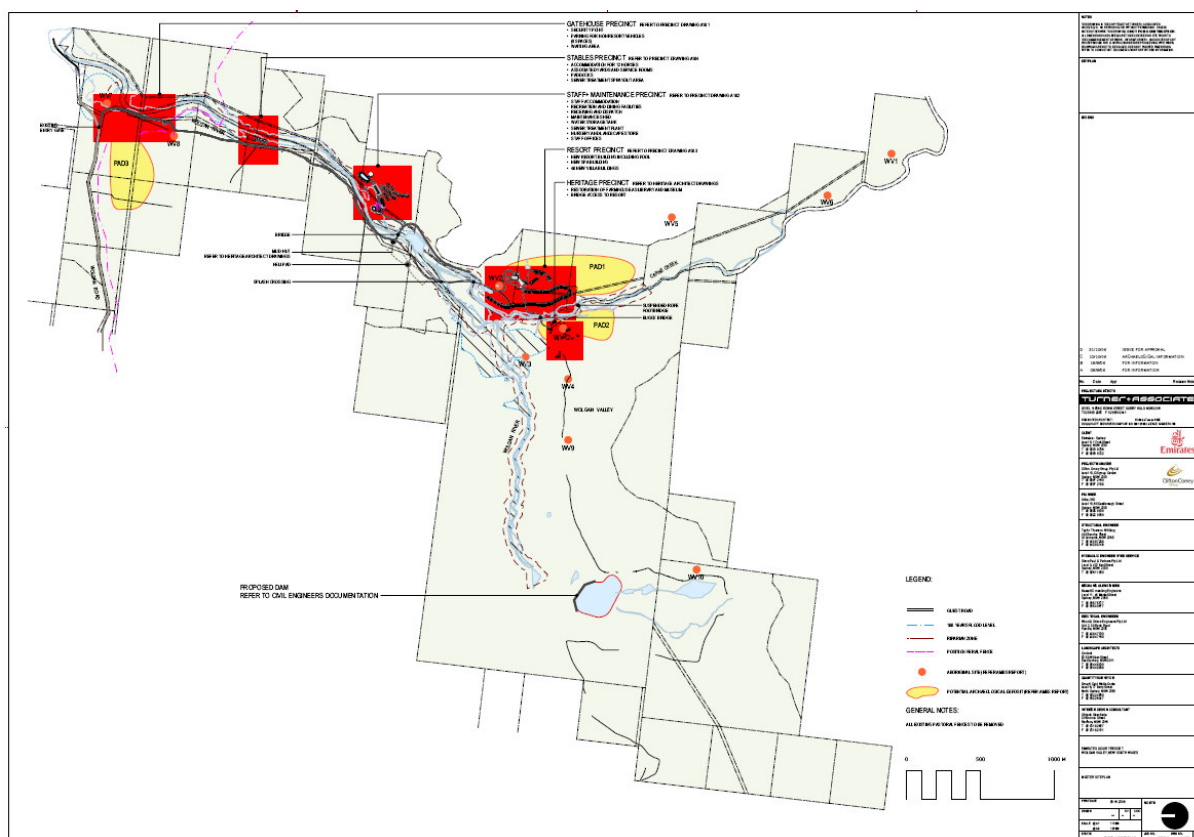


Figure 6: Location of Aboriginal Sites and PADs

European Heritage

There are no heritage listed items on site, however, Emirates proposes to conserve a number of historic buildings/ruins on site forming the Wolgan Homestead Complex, including a wattle and daub hut and the slab house homestead. Subsequently, Emirates has prepared a draft Conservation Management Plan including further assessment of the significance of the Wolgan Homestead Complex and details of the conservation policies and maintenance of the complex. This assessment concluded that the complex has state heritage significance as it is a rare and representative example of an pastoral outstation and due to its technical/scientific/research value.

The Heritage Office supports the conservation of the homestead complex, however considers that the Conservation Management Plan should be revised to include further clarification on the significance of the complex and additional details of how the complex will be used and managed. Emirates has committed to revising and finalising the Conservation Management Plan to including details of archaeological surveys undertaken at the location of the resort complex and further strategies for the management of the complex. The Department is satisfied the heritage value of the complex can be retained through the measures proposed by Emirates and the recommended conditions of approval require Emirates to submit the revised Conservation Management Plan prior to the commencement of operation.

Concern was raised in submissions from the general public that the feral proof fence would restrict access to the grave site of Christiana Nicol Williams, which is located off Wolgan Road to the north of the proposed site. Emirates has consulted with relatives and propose to install a lockable gate within the feral proof fence and would provide keys to this gate to relatives to ensure access is maintained. The Department is satisfied that the measures proposed by Emirates would ensure relatives have access to the grave site.

5.5 Flora and Fauna

Construction

Emirates is proposing to relocate the resort facilities onto land that is predominantly cleared, and any significant vegetation would be retained. To support the project application Emirates has prepared a

flora and fauna management plan outlining measures to manage impacts during construction including:

- pre-clearance surveys within the resort precinct to identify trees with hollows, roosting sites etc and clearance surveys on the day of clearing;
- installation of temporary fencing around the perimeter construction area to prevent access and damage to vegetation that will be retained;
- installation and maintenance of erosion and sediment control devices to minimise impacts on aquatic habitats; and
- placing portions of hollow-bearing trees as well as logs and trunks that have been felled in conservation areas.

The Department is satisfied that the construction of resort facilities on site would have minimal impact on flora and fauna species including any threatened/protected species, populations or ecological communities.

Operation

The site has been split into 5 precincts, namely: the development, riparian corridor, access corridor, managed pasture and nature conservancy precincts. Development is predominantly limited to the development and access corridor precincts, with the majority of the site dedicated to the conservation of natural heritage. Emirates has submitted a landscape management plan to support the project application and this plan details the strategies to protect and enhance the existing flora and fauna present on site, including procedures for revegetation, weed control, riparian rehabilitation, the protection of habitats and fauna and bushfire management.

Overall, the Department considers that the measures proposed by Emirates would ensure the natural heritage of site is enhanced and conserved, however, further information is required in regards to the rehabilitation of the riparian corridor and nature conservancy precincts. In particular further details are required on the areas to be rehabilitated, the procedures for the revegetation of these areas and the stabilisation of eroded areas along Wolgan River, and the on-going management of these areas. The recommended conditions of approval require Emirates to revise the landscape management plan to include further details on the rehabilitation of the riparian corridor nature conservancy precincts.

As previously discussed, Emirates is proposing to install a feral proof fence to provide a feral free sanctuary on site by preventing feral animals from entering the site from surrounding agricultural areas. The location of the fence is not finalised and neither is the location of the bait areas which would be located at the ends of the fence. The conservation value and effectiveness of the feral proof fence was questioned in a number of submissions received from the general public. Additionally, concerns were also raised regarding impacts on fauna movements.

As discussed above, DPI support the installation of the fence and requested that the design of the fence allow for the inclusion of flood doors for the free passage of fish and that the fence be inspected regularly for the build up of debris. While DEC did not object to the fence, it was considered that further information was required on the design of the proposed feral proof fence and any impacts it may have on resident native fauna. The recommended conditions of approval therefore require the design of the fence to be finalised in consultation with DEC prior to the commencement of construction of the fence.

5.6 Electricity Transmission Line

The site is currently not supplied with electricity, and the electricity supply is located to the south of the site. Emirates propose to extend the line to the resort boundary, with existing powerlines upgraded to 11kV. The electricity line would be constructed along Wolgan Road within the road reserve and the proposed works cover approximately 17 km (3km of upgrades and 14km of new line).

Concerns were raised in public submissions about the visual impact of the electricity line and specifically that it would change the character of the landscape of the valley.

A summary of the Department's assessment of the transmission line is provided in Table 2 below.

Table 2: Summary of the Department's Assessment of the Transmission Line

Issue	Comment
Soils and Water	<ul style="list-style-type: none"> Approximately 128 poles would need to be installed along roadway. Erosion and sediment control measures are proposed to minimise and mitigate impacts, including minimising excavation and stockpiling, and suspending works during heavy rainfall.
Flora and Fauna	<ul style="list-style-type: none"> Vegetation in the vicinity of the proposed extension for the electricity line has been largely cleared in the road reserve. Some sections of Talus-slope Woodland share features with the endangered ecological community: white Box – Yellow Box – Blakeys Red Gum Grassy Woodland. Potential habitat for fauna varies along the road reserve, however, habitat is predominantly limited to small hollows for nesting of small birds and microbats. Plant communities recorded in or adjacent to the proposed electricity distribution line corridor are not listed as threatened under TSC Act or EPBC Act. It would be necessary to remove or trim numerous trees adjacent to the road reserve to provide adequate separation between overhead cables and vegetation Line would follow the roadway to minimise clearing and suitable species would be planted at other locations to compensate for the vegetation cleared.
Visual	<ul style="list-style-type: none"> The proposed electricity line is located within an existing road reserve. The line will be more visible along the valley floor. Mitigation measures proposed include painting poles green and minimising dust generation during construction.
Indigenous Heritage	<ul style="list-style-type: none"> A survey of the area identified five sites and one area of potential significance (PAD). Two of the sites contain scattered artefacts that have high scientific significance. For most of the length of the electricity line transect no archaeological evidence was identified and impacts would be minimal. Where possible pylons would be placed to avoid the recorded sites. Four alternative scenarios are given for mitigation measures to avoid impacts on these sites if pylons can not be placed to avoid the recorded sites.
Traffic and Transport	<ul style="list-style-type: none"> Wolgan Road provides direct access to 20 rural land properties, a colliery, Council's waste facility and a campground in the National Park. The proposed works are to take place within the road reserve of Wolgan Road. It is anticipated that upgrade works to Wolgan Road associated with the resort would be constructed prior to the electricity line. It is proposed that traffic management control be put in place during construction of the electricity line.

5.7 Other Issues

Other issues raised during the assessment process and the Department's consideration of the issues are summarised in Table 3 below.

Table 3: Summary of Additional Environmental Issues

Issue	Comment	Recommendation
Design / Layout	<ul style="list-style-type: none"> Reduced footprint associated with modified layout, as well as a reduction in the number of creek crossings. Design incorporates the use of materials salvaged on site. 	<ul style="list-style-type: none"> NA
Visual	<ul style="list-style-type: none"> Majority of the resort facilities and infrastructure would not be visible from the Wolgan Road, therefore visual impacts would be minimal. Visual impact of the electricity transmission line has been discussed above. 	<ul style="list-style-type: none"> NA
Construction	<ul style="list-style-type: none"> Construction impacts relating to noise and air quality would be minimal. Construction impacts relating to traffic, erosion and sedimentation, and flora and fauna have been discussed above. Waste impacts would be managed through the measures proposed by Emirates. 	<ul style="list-style-type: none"> Recommended conditions of approval require Emirates to revise the Construction Management Plan to include further management measures.
Fire Management	<ul style="list-style-type: none"> Asset protection zones comply with relevant 	<ul style="list-style-type: none"> Recommended conditions of

Issue	Comment	Recommendation
	<ul style="list-style-type: none"> guidelines. Buildings would contain suitable fire safety systems in accordance with relevant standards. Emirates has committed to prepare an emergency response plan. 	approval require Emirates to submit an emergency management plan, including a bushfire management plan, prior to the commencement of operation.
Noise	<ul style="list-style-type: none"> Concerns raised in submissions from the public and interest groups that there was no assessment on the impact of helicopter noise. Four flights a week is considered to be too infrequent to be a significant source of annoyance provided that flights are restricted to daytime only. 	<ul style="list-style-type: none"> Recommended conditions of approval limit the number of flights to four per week.

6. RECOMMENDED CONDITIONS

The Department has prepared recommended conditions of approval for the project. These conditions are required to:

- prevent, minimise, and/or offset adverse impacts of the project;
- set standards and performance measures for acceptable environmental performance;
- ensure regular monitoring; and
- provide for the ongoing environmental management of the project.

Emirates do not object to the imposition of these conditions.

7. CONCLUSION

The Department has assessed the merits of the project, and is satisfied that it would not generate unacceptable impacts on the surrounding area.

While components of the facility would be located within National Park land, the Department is satisfied that impacts on the Wollemi National Park would be minimal. In addition, the Department is confident that the proposed mitigation measures and conditions of approval would ensure that the water and soil, traffic, heritage, flora and fauna and all other issues associated with the project would be appropriately managed.

Finally, the Department is satisfied that the project would provide significant economic, social and environmental benefits to both NSW and the Lithgow region, as it would:

- provide jobs for over 200 people, many of whom are likely to come from the local area;
- provide an annual boost to spending in the region;
- provide a world class tourist resort on the boundary of the world heritage area, and increase the tourist potential of the Blue Mountains; and
- enhance the infrastructure and services to the broader population in the Wolgan Valley.

Additionally, the Department considers that the project will eventually result in a net benefit to the Greater Blue Mountains World Heritage Area through the land swap currently being negotiated between Emirates and Department of Environment and Conservation. Consequently, the Department believes the proposal is in the public interest, and should be approved subject to conditions.

8. RECOMMENDATION

It is recommended that the Minister:

- consider the findings and recommendations of this report;
- approve the modifications to the concept plan, under Section 75W of the EP&A Act;
- approve the project application, subject to conditions, under section 75J of the EP&A Act; and
- sign the attached modifying instrument for the concept plan (see Appendix A)
- sign the attached project approval (see Appendix B).

Chris Wilson
Executive Director
Major Project Assessment

Sam Haddad
Director-General

APPENDIX A RECOMMENDED CONDITIONS OF APPROVAL - CONCEPT PLAN

APPENDIX B RECOMMENDED CONDITIONS OF APPROVAL – PROJECT APPROVAL

APPENDIX C

RESPONSE TO SUBMISSIONS

APPENDIX D SUBMISSIONS

APPENDIX E

ENVIRONMENTAL ASSESSMENT
