

PALERANG COUNCIL



Contact Person
File

Louise Munday
LP0030

5 November 2010

Planning NSW
GPO Box 39
SYDNEY NSW 2001

Attention: Kane Winwood

Proposed Dargues Reef Gold Mine (PA10_0054) – Submission

Dear Mr Winwood

I refer to your notification regarding the exhibition of the subject proposal. By telephone conversation with Council's Kylie Coe on 20 October 2010 Mr Chris Ritchie gave an extension to the submission date to 5 November 2010. The following submission is based on a report that was adopted by Palerang Council at its meeting on 4 November 2010. A full copy of the report is attached for your information. Please note that the hours of operation recommended in the conditions contained in the Council report were amended via Council resolution as in the requested conditions at the end of this letter.

1. General

Council wishes to express its concern about the adverse implications of this mine if it goes ahead and asks that the State impose conditions that are as rigorous as necessary.

It is considered that there are errors and omissions in the EIS, particularly in relation to water modelling (some are identified in the attached report, others were raised at the Council Meeting). Council, therefore, requests that the following issues be addressed prior to determination of the application. If the Department does not decide to have these issues addressed prior to determination it is requested that relevant conditions of consent be imposed. A response on how these issues have been further addressed would be appreciated.

2. Ground water supply

Council is concerned about the modelling that has been used to determine the impact of the proposed mine on ground water in the vicinity of the mine, in the Araluen Valley (the orchard industry located there relies heavily on groundwater) and the Majors Creek National Park Nature Reserve. While modelling of the Araluen Valley aquifers has not been satisfactorily undertaken, modelling of the aquifers in the vicinity of the mine has failed to incorporate critical data such as up to date rainfall that reflects drought and climate change, and potential consequences of draw down of water in the old mine.

It is considered that removal of water, for processing needs, from the old mine void may result in draining of the aquifers into the old mine void. Further that the aquifers will not recharge at an acceptable rate due to a reduction in environmental flows on the mine site. It is considered that the proposed environmental flows, to be harvested on the site and released into the system further down from the immediate vicinity of the mine, are not adequate for the health of the river system and recharge of aquifers in the Araluen Valley.

POSTAL:
PO Box 348
Bungendore NSW 2621

P: 02 6238 8111
E: records@palerang.nsw.gov.au
W: www.palerang.nsw.gov.au

BRAIDWOOD OFFICE:
144 Wallace Street, Braidwood
F: 02 4842 2669

BUNGENDORE OFFICE:
10 Majara Street, Bungendore
F: 02 6238 1290

ABN:
70 605 876 877

It is requested that the water modelling be verified by an independent party (such as the NSW Office of Water). Further, as a minimum precaution it is suggested that base line data from test bores in the Araluen Valley (between 2 and 8 kilometres from the mine site) would allow for data to be collected prior to operations commencing, and then allow for data to be collected during operations to measure any impact of the mine on the Araluen Valley. Measures should be included in any approval to address mine operations should this monitoring prove detrimental to the Araluen Valley.

3. Water quality

Council is concerned about potential impact on water quality of the creek/river system downstream of the mine site, and all aquifers, particularly in relation to;

- the location of the tailings dam and any potential for the dam to fail, and
- the potential for the contaminated water from the old mine to be released into the system.

The proposed tailings dam is at the very headwaters of the Araluen Valley, Deua River and ultimately Moruya River. Whilst the EA states that the walls of the tailings dam have been designed to world best practice, any leakage or breakage will see an environmental disaster with pollutants entering the headwaters of a major water catchment. Further measures should be incorporated in any consent, so as any failure of the dam will be sufficiently mitigated against.

As a minimum precaution it is suggested that water testing on the environmental flows, to be returned to the environment from the proposed mine site, be monitored on a daily basis (it is requested that this information be provided to Palerang Council so that Council can keep its community informed of the outcomes).

It is requested that emergency and remedial actions be identified for circumstances where pollutant/contaminant levels are found, through the monitoring, to be higher than those recommended, and that measures be incorporated in any consent so that the Department of Planning is able to assure the community that the water is safe for residents to drink, wash in, use on the orchards and market gardens, and for the continued health and survival of the animals and plants downstream.

4. Compensation

The local community is concerned that the value of properties and businesses could be affected by the proposed mine, particularly in relation to failure of safety measures and pollution of the environment. Council seeks assurance that there are mechanisms in place to ensure that compensation can be provided to landowners and all those with a commercial interest in the surrounding localities of Majors Creek and Araluen. Further what measures can be put in place, that if the owner/operator of the mine is liquidated before rehabilitation and compensation can occur, and/or if the cost of compensation and rehabilitation is more than bonds held.

5. Road Access

The traffic counts for the study were undertaken over a seven day period only which is not significant to draw accurate conclusions. There will be a significant increase in laden semitrailer movements on the route to and from the mine and this will have a significant impact on the roads leading to the mine, especially on Majors Creek Road. The passing of extra vehicles on the narrow crests and curves are a particular safety concern. The fairly light pavement of the road will also be damaged by the trucks delivering materials and plant to the mine and hauling the concentrate from the mine.

Council is satisfied that the applicant will address these issues by having agreed to enter into a planning agreement whereby Cortona will make payments to Palerang Council for it to

carry out necessary road upgrading and repairs to the pavement. See letter from Cortona dated 24 September 2010. A planning agreement is currently being developed between the parties. A condition of consent has been requested to achieve this.

6. Haulage Operations

Council is in agreement with the Operation Controls listed in Section 4.9.4.2 relating to truck movements. It would particularly like to see a condition requiring the movement of heavy vehicles, to and from the mine site, not to be permitted during the hours of 7.00am to 8.30am and 3.00pm to 5.00pm on school days to avoid potential conflict with the local school bus services. A condition of consent has been requested to achieve this

7. Entrance and internal access roads

While the sight distances at the proposed entrance appear to be adequate for the design speed of the road, the applicant's proposal to provide only a BAR/BAL standard treatment is in conflict with recommendations made by the Local Traffic Committee – that has advised. “due to the intersection being on a 6 % grade, the treatment at the intersection needs to be an AUR/BAL configuration with an acceleration lane uphill towards Braidwood”. A condition of consent has been requested to achieve this.

The existing southern access to the site is at a poor location and is very sub-standard. It should be closed as an access point to the mine. All traffic should be required to enter the mine site from the northern entrance. A condition should be included in any approval to this effect.

Considering the heavy vehicles that will be using the internal road, it is Council's opinion that this internal road should be sealed to reduce the impact of dust on the locality and the potential for erosion of the road. A condition should be included in any approval to this effect.

It is noted that the applicant has made statements at 2 different places in the EA about the distance from the intersection that the internal access road will be sealed. At page 2-9 it advises 200m and at page 4-141 it advises 50m. Council prefers the full length to be sealed but at least 200m as a minimum.

8. Community Benefit

The mine's employees are likely to live in Braidwood and surrounding areas. The extra residents will increase the demand for public facilities. The regular passing of mine haulage trucks through Braidwood to access the Kings Highway will also have some detrimental impact on the local amenity. Council considers that it would be reasonable that these impacts be addressed by compensatory contribution towards better community facilities.

Council has accepted Cortona offer made in letter dated 24 September 2010 offering to contribute to the upgrading of facilities at the Braidwood Recreation Ground. A planning agreement is currently being developed between the parties. A condition of consent has been requested to achieve this.

9. Waste Disposal

Council requests that the EA make it very clear that no waste from the mine is taken to the Majors Creek landfill. Arrangements have been negotiated between the applicant and Council for the disposal of putrescible waste at the Braidwood landfill for a fee. A condition of consent has been requested to achieve this.

10. Hours of Operation

The environment surrounding the mine has an existing noise level below 30dB(A). The Guideline used to assess the impact of the proposed development on the surrounding area is the NSW Industrial Noise Policy (INP) produced by DECCW. The INP specifies two noise criteria – an intrusiveness criterion and an amenity criterion. Pg 4-29 of the EA states that only the intrusiveness criterion was considered in setting the project operational noise levels.

Whilst Council staff are concerned that the EA sets a sleep disturbance criterion of 45dB(A) when the existing background noise is 30dB(A). There appears to be an error in the report, as the maximum 45dB(A) which has been adopted for the EA was taken from Table 2.1 on page 16 of the INP, which relates to Amenity Criteria, which the EA states was not used as a criteria due to there being no existing major industry dominating noise levels at residences. Therefore staff consider that the appropriate noise level for evenings would be 35dB(A) (5dB(A) above normal background noise) as set on page 14 of the INP.

Table 4.10 of the EA has the predicted operational noise levels for a variety of residences in Majors Creek and all of them are over 35dB(A). Council, therefore, requests that the hours of operation be restricted as follows for the first full year of operation and further noise testing can be carried out to ensure that the night time disturbance meets the required dB(A). This precautionary approach would allow the mine to become operational and real data used to determine the noise levels, as opposed to the modelling contained within the EA.

- 6.30 am to 6.30 Monday to Friday
- 6.30am to 12.30pm Saturday,
- No work on Sunday.

A condition of consent has been requested to achieve this.

11. Effect on the visual amenity of the surrounding locality

Whilst the mine will be screened by some vegetation and mounds, it is considered that there will be an impact on the visual amenity on the surrounding locality. It is considered appropriate to request further tree planting as part of any approval, especially along the southern edge of the property which is bounded by the Majors Creek Road. A condition should be included in any approval to this.

12. Conditions of consent

The attached conditions of consent reflect the requests made in points 5 - 11 and include consequential conditions.

Yours faithfully



Louise Menday

Director of Planning and Environmental Services

Requested conditions of consent

Planning Agreement with Palerang Council

1. The applicant is to enter into a planning agreement with Palerang Council to address impacts to the public road network with the details to be in accordance with Cortona's letter of offer to Council dated 24 September 2010.

Reason: To ensure road impacts are addressed to Council's satisfaction

2. The applicant is to enter into a planning agreement with Palerang Council to provide a financial contribution towards the upgrading of the Braidwood Recreation Grounds in order to address impacts of increased demand on public facilities. The details of the agreement are to be in accordance with Cortona's letter of offer dated 24 September 2010.

Reason: To ameliorate against the increased demand on public facilities

Roadworks

3. The following treatments be constructed by the applicant at the site of the entrance from Majors Creek Road, in accordance with RTA's Road Design Guide:
 - a) Intersection in accordance with RTA's AUR/BAL standard treatment
 - b) Acceleration lane on Majors Creek Road on the up-grade towards Braidwood.

Reason: To provide for safe access to egress to the development site.

Construction certificate for Roadworks

4. Obtain a construction certificate from Palerang Council or an appropriately accredited private certifier before undertaking any roadworks. Forward a copy of any construction certificate issued by a private certifier to Palerang Council at least 2 days before undertaking any work in accordance with that construction certificate.

As consent is required under section 138 of the *Roads Act 1993* i (for works within the public road reserve) provide a copy of construction drawings to Palerang Council for approval prior to issue of any construction certificate.

Reason: To ensure compliance with Section 81A(4) of the Environmental Planning and Assessment Act 1979.

Section 138 consent

5. Obtain consent under section 138 of the *Roads Act 1993* from Palerang Council before any work is undertaken in the public road reserve. A security deposit of \$5000 is required to be lodged with Council prior to the issue of the S138 consent.

Reason: To ensure that works carried out comply with the Roads Act.

Design drawings

6. Provide engineering design drawings, and supporting information, to standards in AUS-SPEC #1 as amended by Council, for all proposed roadworks for approval by the principal certifying authority prior to issue of any construction certificate.

Engineering drawings are to include a note that "All work is to be constructed in accordance with AUS-SPEC#1 Development Specification Series as amended by Palerang Council, and the terms of the Development Consent."

Reason: To ensure that works are designed to cater for the demands generated by the development in accordance with Council's standards.

Certification of completed civil works:

7. At the completion of works the superintendent of works shall present to Palerang Council a Certification Report for Construction Works as set out in AusSpec#1 Clause CQC7(1), and will also include copies of any approvals outlined in this development consent and report on the current status of environmental restoration and revegetation. The superintendent of works shall be a Civil Engineer or suitably experienced and accredited Registered Surveyor as set out in AusSpec#1 Clause CQC7(3).

Reason: To ensure compliance of the works with the terms of the development consent.

Works as- executed plans

8. Provide one copy of works as-executed plans to Palerang Council, showing any variations from the approved designs. The works as-executed plans are to be prepared in accordance with the requirements set out in Aus-Spec #1 as amended by Council.

Reason: To provide a record of works for future technical reference.

Internal Road

9. The access road within the development site to be bitumen sealed for a minimum of 200m from the entrance on Majors Creek Road.
10. The existing southern entrance to the property is to be closed and all traffic to and from the site is to gain access via the main entrance.

Reason: To reduce dust and the impact on the amenity of the surrounding locality

Dust Suppression

11. Respond to Councils direction to provide dust suppression on roads leading to, adjacent to and within the development site in the event that weather conditions and construction traffic are giving rise to abnormal generation of dust.

Reason: To ensure that local residents and activities are not disadvantaged by dust during construction.

Haulage Trucks Hours of Operation

12. Haulage truck operations on the public roads are to cease during the period when school buses may be encountered on the roads - between the hours of 7.30 - 9.00 am and 3.00-5.00 pm on school days.

Reason: To avoid potential conflict with existing local traffic

Hours of operation for Processing

13. Hours of operation (for above surface processing) will be 6.30 am to 6.30 Monday to Friday and 6.30am to 12.30pm on Saturday and no work on Sundays for the first full year of operation, to allow for real data to be used to determine the noise levels, dust and lighting interference that may occur, affecting the residents of Majors Creek and that the hours be reviewed at the end of this period.

Reason: To ensure that the noise associated with processing complies with the requirements of the Industrial Noise Policy

Waste Management

14. The applicant is to prepare a waste management plan with objectives to minimise waste and maximise recycling at the site. Under no circumstances shall waste from the mine be taken to any of Council's landfills except for the Braidwood landfill where putrescible waste may be dumped under a fee for service arrangement with Council.

Reason: To ensure waste is disposed of appropriately from the site.

Landscaping

15. Provide a landscaped buffer to the southern edge of the property to reduce the visual appearance of the built form within the landscape. The landscape buffer is to be planted with advanced stock and incorporate native species including trees capable of achieving mature heights of at least 5 m and understorey vegetation capable of achieving heights of 1.5-2.0m. Details of the proposed landscaping are to be approved by Palerang Council prior to commencement of planting.

Landscaping is to be carried out prior to the commencement of operation of the mine.

Reason: To minimise the visual impact of the development on the surrounding locality.

Local approval – on-site sewage management system

16. Prior to the installation of any on-site sewerage management system, a Local Approval under s.68 of the *Local Government Act 1993*, must be obtained from Palerang Council.

Reason: To ensure compliance with AS1547-2000.

Construction certificate & occupation certificate for building works

17. Obtain a construction certificate from Palerang Council or an appropriately accredited private certifier before undertaking any building work. Forward a copy of any construction certificate issued by a private certifier to Palerang Council at least 2 days before undertaking any work in accordance with that construction certificate.

Reason: To ensure that work is undertaken in accordance this consent & relevant construction standards.

18. Appoint a principal certifying authority before any building work is undertaken. Provide details of the appointed principal certifying authority (if not Palerang Council) to Palerang Council at least 2 days prior to any work being undertaken.

Reason: To ensure compliance with the Environmental Planning & Assessment Act 1979.

19. Do not occupy or use the premises until an occupation certificate has been issued by Palerang Council or an appropriately accredited private certifier. Provide a copy of any occupation certificate, issued by a private certifier, to Palerang Council no later than 2 days after the occupation certificate is issued.

20. The final occupation certificate must not be issued until all conditions of consent have been satisfactorily complied with and all mandatory stage/required plumbing inspections undertaken. Plumbing and drainage must be inspected by Palerang Council at the relevant stages of construction in accordance with the required Local Approval and a final plumbing certificate obtained prior to issue of any occupation certificate.

Reason: To ensure that the development is safe & appropriate for occupation.

21. All work is to comply with the current edition of the Building Code of Australia.

Reason: To ensure all building work is carried out in accordance with relevant construction standards.

A condition of consent also needs to be included to ensure that the project maximises its rainfall capture on site by ensuring that all roofs over mine facilities such as the tailings stockpile etc and other buildings owned by the company are connected to water tanks.