

ASSESSMENT REPORT

Section 75W Modification Hanson Concrete and Asphalt Facility (06_0225 MOD 1)

1. BACKGROUND

1.1 The Site

Hanson Heidelberg Cement Group (Hanson) own and operate over twenty (20) industrial facilities in Australia including its concrete and asphalt facility located off Wallgrove Road at Eastern Creek, in the Blacktown local government area. This facility occupies approximately 24 hectares of land within the Western Sydney Employment Area (WSEA), and is in close proximity to the M4 and M7 Motorways (see Figure 1).



Figure 1: Hanson site and nearby sensitive receivers

The WSEA has been identified in key planning instruments for the Sydney metropolitan area as important for future employment growth and economic development. The area is unique in its access to key road networks and the relatively large areas of land that have remained un-developed.

Between 1950 and 2005, Hanson operated its concrete and asphalt facility alongside a hard rock quarry. The quarry area ceased operations in 2005 and the northern portion of the Hanson site containing the quarry void was sold to Tha Quarry Pty Ltd (Tha Quarry) in 2006. The quarry void is now used as a non-putrescible landfill by Tha Quarry as part of a Ministerial approval (MP06_0239) issued in November 2009.

Hanson's other neighbours are now modern warehousing facilities including a Best and Less warehouse which is located around 100m to the north-east of the eastern site boundary, and a Kmart warehouse to the east. The nearest residential dwellings are approximately 1 km to the north of the site in the suburb of Minchinbury (Figure 1).

1.2 Previous Approvals

In June 2010, the then Deputy Director-General (under the Minister for Planning's delegation) approved Hanson's Concept Plan and Project Application (06_0225) to decommission and remove existing facilities, modernise the remaining site with new concrete and asphalt production facilities, and to consolidate operations onto its land (now the southern part of its former holdings, see Figure 1).

The Hanson approvals were considered to be an appropriate means of ensuring an overall improvement in environmental performance of the existing facilities. In addition, the approvals included provisions for regional and local road infrastructure contributions and on-site stormwater management.

The **Project Approval** included the following key components:

- subdivision and construction of the Precinct Road by June 2015 (see Figure 2);
- approval for the continued operations of some existing facilities (i.e. concrete batching, concrete recycling and asphalt emulsion plant) on the site for a three year period thereby providing Hanson with a fixed period to implement elements of the Concept Plan and modernise the site;
- no expansion permitted beyond the existing operations without further Project Approval and capping of the production rates of existing operations; and
- an environmental management and monitoring system for the site to be implemented within 4-6 months of approval to regulate the environmental performance of the existing facilities in the interim period prior to the implementation of the modernised facilities.

The **Concept Plan Approval** (see Figure 2) allowed the relocation and upgrade of existing facilities, including:

- a new Concrete Batch Plant with a production capacity up to 144,000m³ per annum;
- a new Asphalt / Emulsion Plant with a production capacity up to 360,000 tonnes per annum (tpa);
- a new Concrete Recycling Facility with capacity to accept and process up to 100,000 tpa;
- a Materials Storage Depot with the capacity to accept of up to 36,000 tpa of materials;
- a Logistics Centre / Fuel Depot and Workshop;
- an Office, Laboratory and associated infrastructure;
- a new drainage/detention basin and associated stormwater infrastructure;
- the construction of the Precinct Road along the northern boundary of the site (to be dedicated to Council);
- the subdivision defining the alignment of the Precinct Road; and
- the allocation of the southern portion of the site for 'future expansion'.

The future assessment requirements for these new facilities were included as terms of approval in the Concept Plan. These requirements also included assessing the impacts

associated with the installation of water supply and sewerage infrastructure and the construction of the Precinct Road.

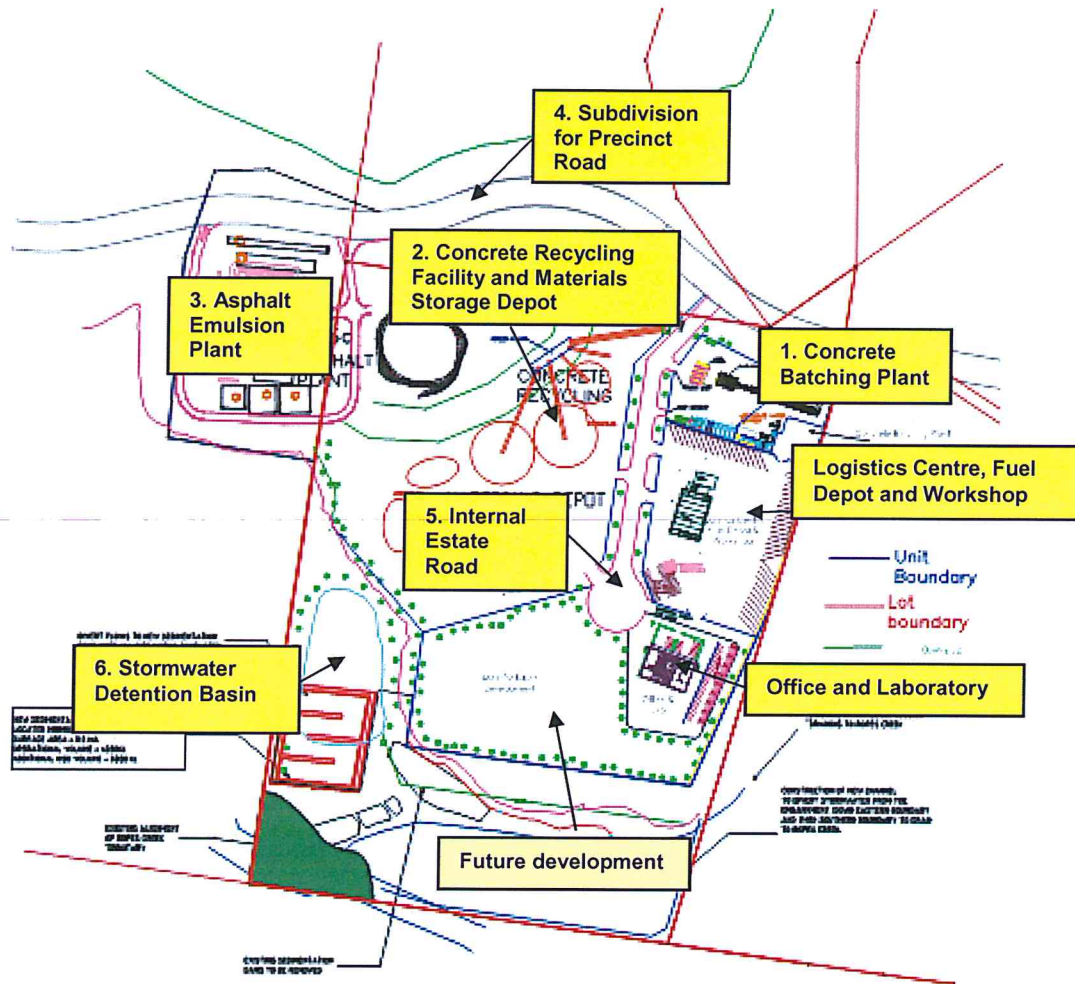


Figure 2: Approved concept plan layout.

1.3 Current status

In 2010, Hanson sold part of its business in asphalt manufacturing to Fulton Hogan (FH). The FH asphalt plant is the only plant still operating on the site (leased by FH off Hanson).

In accordance with the Project Approval, by the end of 2012, Hanson had decommissioned and removed the remainder of the operations on the site, including the concrete crushing and screening plant. The subdivision defining the alignment of the Precinct Road has been completed and the entire site including the proposed Precinct Road has been consolidated onto land that is owned by Hanson (Lot 5 in DP 1145808).

Development Applications (DA's) for the new facilities would be submitted to the department in accordance with the Concept Plan requirements, provided they meet the criteria in the *State Environmental Planning Policy (State and Regional Development) 2011* (SRD SEPP), i.e. if they have a capital investment of more than \$30 million. Any future applications for the site that do not meet the criteria in the SRD SEPP would be assessed and determined by Council.

Meanwhile, Hanson has determined that with some site layout changes and additional subdivision, there would be further opportunities to enable a larger portion of its site to be developed (i.e. for additional future industrial development). These adjustments are detailed in Figure 3 and discussed further in Section 2.

2. PROPOSED MODIFICATION

On 19 June 2012, Hanson submitted applications to modify the Concept Plan and Project Approval (06_0225 MOD 1) under Section 75W of the *Environmental Planning and Assessment Act, 1979* (EP&A Act). A copy of the applications is included in Appendix A.

The applications generally seek to:

- relocate facilities within the approved Concept Plan area (see Figure 3 and Table 1 below). The relocation of facilities to the southern part of the site would result in the removal of approximately 1.5 hectares of vegetation;
- subdivide the site into fourteen (14) Lots and increase the net developable area within the Concept Plan area from 10.7 hectares (ha) to approximately 24 ha. The facilities on proposed Lots 1-6 would be developed first in accordance with the existing Concept Plan requirements (these Lots would contain the Hanson concrete and asphalt infrastructure), and Lots 7-11 would be sold and/or developed at a later stage. Lots 12-14 relate to the road corridors for the Precinct Road and Internal Estate Road;
- modify the Project Approval to allow bulk earthworks to be undertaken across the entire site and implement services such as potable water, sewer, electricity and telecommunications; and
- operate the FH asphalt plant for an additional three (3) years in its existing location (see Figure 2), under the Project Approval.

It is noted that Hanson is not seeking to increase the approved production capacity of the concrete and asphalt infrastructure, or change any approved processes.

Figure 3 depicts the key components of the revised Concept Plan layout, and the details of the proposed modifications to the approved Concept Plan and Project Approval are summarised in Table 1.

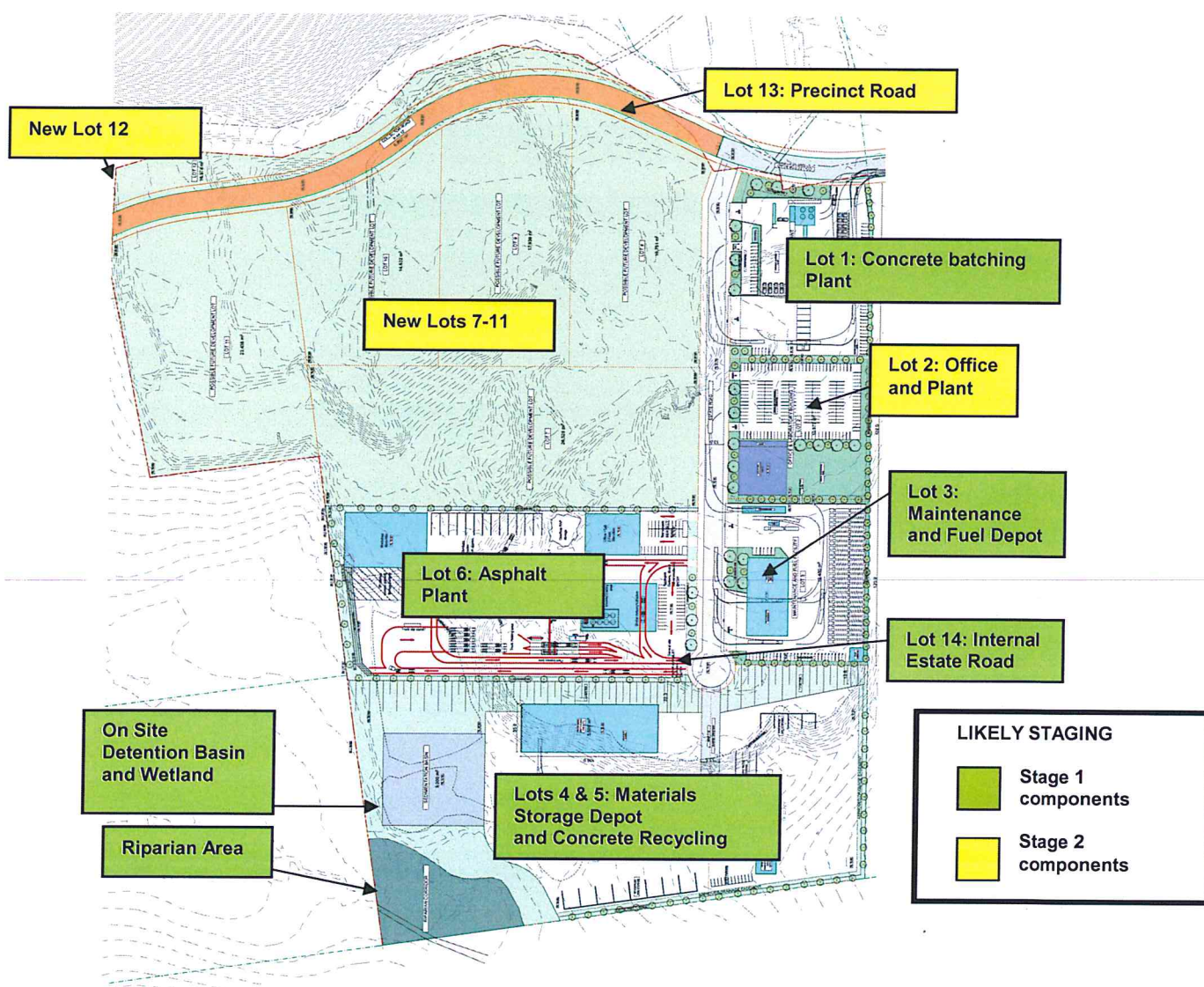


Figure 3: Key components of the modified Concept Plan

Table 1: Approved versus Proposed – Concept Plan and Project Approvals

Approved (06_0025)	Proposed Modifications (06_0025 MOD 1)
Concept Plan <ul style="list-style-type: none"> Conceptual layout for a new Asphalt and Concrete Production and Recycling Facility on Lot 5 in DP 1145808 (approximately 10.7 hectares). Subdivision and bulk earthworks across parts of the site. Potential for future expansion on the southern portion of the site, subject to further assessment. 	Concept Plan <ul style="list-style-type: none"> Conceptual layout redesigned with the same facilities but enabling approximately 10.5ha in the central and north part of the site to be subdivided for future development. This layout would allow for five (5) additional development Lots (Lots 7 - 11) to be created, increasing the developable area to approximately 24 hectares.
Concrete Batching Plant Conceptually approved with a production capacity up to 144,000m ³ per annum.	The internal site layout of the concrete batching plant would be modified; however it is otherwise generally in the same location as the approved Concept Plan and contains roughly the same site area. It would be located on the proposed Lot 1.
Office and Laboratory	This facility has been moved to the north along the eastern boundary and is now adjacent to the concrete batching plant. It would be located on the proposed Lot 2.
Maintenance and Fuel Facility	This facility has swapped locations with the Office and Laboratory facility and would be located on the proposed Lot 3.
Concrete Recycling Facility Conceptually approved with capacity to accept and process up to 100,000 tpa.	This facility has been relocated from the Northern / central part of the site to the southern boundary of the site in an area that was previously identified for "future development". This facility would be located on Lots 4 and 5.

Approved (06_0025)	Proposed Modifications (06_0025 MOD 1)
Asphalt Plant Conceptually approved with a production capacity up to 360,000 tpa.	This facility would be relocated from the north western corner of the site (its approved existing location) to a central location on the site on proposed Lot 6.
Internal Estate Road	The internal 'Estate Road' connecting to the 'Collector Road' has been lengthened and realigned closer to and parallel with the eastern boundary. This Estate Road would be dedicated to Council.
Stormwater Management Stormwater would be managed on site at no cost to Council, and includes an on-site stormwater detention basin and wetland area.	The site's surface water management regime has been revised in accordance with Council's requirements, to account for an increase in developable area.
Project Approval The Project Approval allowed for the following: <ul style="list-style-type: none"> • use the existing asphalt and concrete batching and recycling facilities until 3 June 2013 on Lot 5 and Part Lot 4 in DP 1145808. • demolition of the existing plants. • undertake the subdivision in accordance with the approved plan of subdivision (which only defined the alignment of the Precinct Road). • construction of the Precinct Road (also referred to as the Collector Road) through the northern part of the site. • implementation of an environmental management and monitoring system for the site to regulate the environmental performance of the existing facilities in the interim period prior to the demolition and construction of the Project components. 	Project Approval In addition to the approved Project, the modification seeks approval to <i>undertake</i> the following works: <ul style="list-style-type: none"> • to continue to operate the asphalt plant in its existing location for a <u>further</u> 3 year period. • carry out the subdivision of the entire site (over 12-18 months) into fourteen (14) Lots, including: <ul style="list-style-type: none"> I. undertake bulk earthworks, including retaining walls across the site; and II. construct utility services for the subdivision. • relocate, lengthen and construct the internal Estate Road; • existing dams and sedimentation basins on the site would be removed and new stormwater infrastructure to be built as part of the subdivision works.

The staging of future DA's (see Table 2) is likely to be modified as follows, however Hanson are not required to complete new projects in any particular order.

Table 2: Likely staging of future DA's

Approved	Likely staging (key development components)
Stage 1 <ul style="list-style-type: none"> i. Concrete Batch Plant; ii. Maintenance and Fuel Depot & Workshop; iii. Concrete Recycling Facility; iv. Materials Storage Depot; and Stage 2 <ul style="list-style-type: none"> v. Asphalt / Emulsion Plant; and vi. Office and Plant 	Stage 1 <ul style="list-style-type: none"> i. Concrete Batch Plant; ii. Maintenance and Fuel Depot & Workshop; iii. Asphalt / Emulsion Plant; and iv. Materials Storage Depot and Concrete Recycling Facility. Stage 2 <ul style="list-style-type: none"> v. Office and Plant; and vi. Remaining 'proposed future development' of new Lots 7-11 (may be developed by others)

3. STRATEGIC AND STATUTORY CONTEXT

3.1 Strategic Planning

The State Environmental Planning Policy (Western Sydney Employment Area) 2009 (WSEA SEPP) and the Eastern Creek Precinct Plan Stage 3 (Precinct Plan), apply to the site.

The key objectives of the WSEA SEPP and the Precinct Plan are to promote economic growth and employment opportunities, provide adequate and efficient infrastructure and services, and ensure positive environmental and community outcomes. An assessment of the original Hanson proposal against the objectives of the WSEA SEPP and the Precinct Plan was undertaken as part of the Concept Plan and Project approvals. The department concluded that the proposal was consistent with the strategic planning objectives, as it would provide for a more efficient use of valuable employment land, provide financial contributions to develop local and regional infrastructure, and lead to an improved environmental performance of the site.

The department has considered the modifications against the relevant objectives of the WSEA SEPP and Precinct Plan, particularly in relation to infrastructure contributions, flora and fauna and retaining wall heights. The Department's assessment has concluded that the modified Concept Plan and Project Approval would be consistent with the strategic planning objectives of the WSEA SEPP and Precinct Plan. These issues are discussed further in Section 5.

3.2 Section 75W

In accordance with Clause 12 of Schedule 6A of the EP&A Act, section 75W of the Act as in force immediately before its repeal on 1 October 2011 and as modified by Schedule 6A, continues to apply to transitional Part 3A Concept plans and Projects.

Under Section 75W of the EP&A Act, the Minister is obliged to be satisfied that what is proposed is indeed a modification of the original proposal, rather than being a new Project or Concept Plan in its own right.

The department has reviewed the scale and nature of the proposed modification, and is satisfied that it can be characterised as a genuine modification of the original Project and Concept Plan as:

- it involves layout changes to allow the Project to proceed in a more economical manner for the proponent;
- the modified Concept Plan and Project Approval would continue to provide for regional and local road infrastructure;
- there are management measures already in place within the Concept and Project approvals and EPL to ensure compliance with existing environmental and amenity goals;
- the proposal as modified could be carried out with some additional conditions of approval; and
- the modified Concept and Project Approvals would not alter the existing approved production volumes, methods or processes.

Section 75W(3) of the EP&A Act provides that the Director-General may notify the Proponent of environmental assessment (EA) requirements (DGR's) with respect to the proposed modifications. Following an assessment of the modification requests, it was considered that formal DGR's were not required in this instance.

Under Section 75W(4) of the EP&A Act, the Minister may modify the approval (with or without conditions) or disapprove the modification. The following report outlines the department's assessment of the modification requests.

3.3 Delegated Authority

The Minister for Planning and Infrastructure is the approval authority for the proposed modifications. However, under the instrument of delegation of 14 September 2011, the Director of Industry, Key Sites and Social Projects can determine the applications, as Blacktown City Council did not object to the modification applications, there were no public submissions objecting to the proposal, and there has also been no political disclosure statement made for these applications or for any previous related applications.

4. CONSULTATION

The department made the application for the proposed modifications publicly available on its website and sought submissions from Blacktown City Council (Council), the Environment Protection Authority (EPA) and the Office of Environment and Heritage (OEH).

The **EPA** raised no concerns with the proposed development, however it recommended that additional assessment requirements be included for subsequent development applications (DA's). These requirements relate to dust, odour, noise and on-site water reuse and have been included in the modified Concept Plan.

The **OEH** recommended that a 2:1 offset should be provided for the clearing of 1.5 hectares of vegetation on site. This is discussed further in Section 5.

Council did not object to the proposal, however it did raise a number of detailed design and engineering issues relating to the proposed wetland / bioretention areas, stormwater system, drainage easements, rainwater supply, retaining walls and landscaping. These issues have been resolved and additional assessment requirements and conditions of approval have been included in the modified Concept Plan Approval and Project Approval.

Copies of the agency and Council submissions are included in **Appendix A**. On 11 September 2012 Hanson provided a response to submissions (RTS) (also within **Appendix A**). Both Council and Hanson have reviewed and accepted the recommended conditions for the modified Concept Plan Approval and Project Approval, as discussed in detail in Section 5 of this report.

In addition to the issues raised by other stakeholders, the **department** requested that Hanson re-evaluate the approved infrastructure contributions required under the Project Approval to address the increase in developable area proposed in the modification application. The first draft Voluntary Planning Agreement (VPA) between the Minister and Hanson for the revised infrastructure contributions was issued on 19 November 2012. On 18 July 2013, the department received the final executed VPA. This is discussed further in Section 5.

5. ASSESSMENT

During its assessment of the merits of the proposed modifications, the department has reviewed the:

- EA and Director-General's Assessment report for the original proposal;
- existing conditions of approval for the Concept Plan and Project Approval;
- application for the proposed modification;
- submissions on the modification and Hanson's response to submissions, including the VPA; and
- relevant policies and guidelines.

The key issues raised in relation to the modification applications relate to elements of the Concept Approval or Project Approval (or both).

In its assessment, the department has firstly considered the key issues associated with the modifications to the Concept Plan (see Section 6) which include:

- traffic,
- air quality,
- noise; and
- rainwater re-use and potential contamination.

Subsequently, the department provides a consideration of issues associated with modifications to both the Project Approval and Concept Plan. These issues are discussed in Section 7 under the heading Project Modification issues, and include:

- infrastructure contributions,
- flora and fauna;

- stormwater; and
- air quality.

6. CONCEPT PLAN MODIFICATION ISSUES

6.1 Traffic

Traffic associated with the approved Concept Plan was anticipated to generate up to 300 vehicles in the peak hour periods. While the department considers this to be significant, the department concluded that the vehicle movements could be accommodated on the surrounding road network, subject to the proposed local and regional road network upgrades.

Hanson currently has Project Approval to construct the Precinct Road (a local road) on the northern boundary of the site, to Council's satisfaction (see Figure 3). This road has been designed to accommodate traffic associated with future industrial development in the area. The Project Approval specifically requires Hanson to:

- dedicate a 24 metre wide road corridor which equates to 3100 m² of land, to Council; and
- design and construct the Precinct Road within 5 years, or when an adjoining land owner is building the Precinct Road to a common boundary (whichever is sooner).

The revised Concept Plan layout does not alter the location of the Precinct Road, nor Hanson's contribution towards local traffic movements. However, as Hanson now intends to subdivide and develop a larger portion of its site there are two new issues requiring consideration:

1. safety issues in relation to the new entry/exit points from proposed Lots 8-11 to the Precinct Road; and
2. additional traffic using local roads, generated by the future industrial development of an additional 13 ha.

The new local and regional roads in the WSEA have been designed by RMS to accommodate 15 trips per hectare per hour (during peak periods). The department notes that if this rate is applied to the revised Hanson Concept Plan area, the site would generate an additional 195 trips per hour during peak periods (13ha x 15 trips) on local roads.

Whilst this additional traffic may seem substantial, the department notes the size of the Hanson site is just 1.8% of the WSEA (which is 1400 ha), and the strategic planning has resulted in a proposed road network that could accommodate up to 21,000 trips per hour in peak periods from a range of employment uses including warehousing, distribution and freight transport.

There is an existing further environmental assessment requirement in the Concept Plan that requires Hanson to include a full traffic assessment in accordance with the RTA's *Guide to Traffic Generating Developments* with any future DA. The department considers that the existing requirement is satisfactory and would ensure that future traffic from the Hanson site could be safely accommodated in the surrounding road network.

The department notes that Council raised no issues in relation to traffic generation, road safety or access. Notwithstanding, to mitigate any potential road safety issues from new entry/exit points from proposed Lots 8-11, the department has recommended an additional assessment requirement in the Concept Plan approval requiring each new DA to include a detailed traffic safety assessment for any new entry/exit points on the Precinct Road.

The department is satisfied that the existing and recommended assessment requirements for DA's within the Concept Plan area would ensure that future traffic associated with the site can be safely accommodated within the surrounding road network.

6.2 Air quality

The modification application seeks to redesign the conceptual layout, including relocating the Concrete Recycling Facility from the northern part of the site to the southern area. This would result in this facility being closer to the nearest industrial receptors (warehouses, see Figure 1), and 300 metres further away from the nearest residents. Similarly, relocation of the existing asphalt plant moves it closer to these warehouses.

Hanson did not revise its 2010 air quality impact assessment to reflect the modifications to the Concept Plan.

The EPA noted that dust and odour impacts have the potential to occur as result of the revised Concept Plan, specifically due to the:

1. reorientation of the concrete batching plant;
2. relocation of the asphalt plant (from the north western corner to a central location); and
3. relocation of the concrete recycling facility to a southern area closer to the industrial receptors.

Given the potential for air quality impacts to occur, and the site's history of dust complaints, the EPA has recommended additional assessment requirements (for future DA's under the Concept Plan) to minimise dust emissions from the new concrete batching and recycling facilities, including:

- operating the new facilities under 'best practice' measures to minimise potential off-site dust impacts;
- undertaking a dust audit within 6 months of the commencement of operation of the new concrete batching and recycling plants; and
- additional management or mitigation measures required if any audit identifies that the facility(s) do not meet best practise benchmarks.

The EPA also noted that the environmental assessment for the original Concept Plan application (the air quality assessment) did not include odour impacts from the proposed asphalt plant, because at the time no data was available for use in the modelling. As such, the EPA considers that an odour impact assessment should be undertaken as part of the DA for the new asphalt facility.

The Department notes that the Concept Plan Approval already requires Hanson, in seeking approval for the construction and operation of the various industrial facilities, to undertake a comprehensive air quality assessment (including dust and odour). The department has revised the air quality assessment requirements to ensure that the current industrial sensitive receptors are considered and to confirm that the concrete batching and recycling facilities would be constructed and operated under 'best practice' measures.

Hanson has agreed to the revised Concept Plan requirements. The department considers that these requirements would ensure that any new plant and equipment is operating under best practice measures. More specifically, these new assessment requirements aim to ensure that dust is not an issue for nearby warehouses during construction and operation, and the proposed asphalt plant does not generate offensive odour in its vicinity.

6.3 Noise

Following the Project Approval in 2010, new warehouses have been built to the east of the Hanson site. As these warehouses are now identified as sensitive receivers, the EPA recommended that Hanson's new DA's under the Concept Plan demonstrate compliance with the relevant criteria recommended in the NSW Industrial Noise Policy 1999.

The department agrees, however it is noted that the Concept Plan already requires detailed noise assessment for all DA's associated with the Concept Plan.

6.4 Rainwater re-use and potential contamination

Hanson is proposing to install rainwater tanks adjacent to new buildings for the purpose of providing non-potable water for re use. It also proposes to reuse captured stormwater where possible.

In its submission, Council requested that future DA's demonstrate (and include certification from a hydraulic engineer) that 80% of non-potable uses would be met through rainwater supply. The department has revised the Concept Plan to include this assessment requirement for future DA's.

In relation to the collection of rainwater and its potential reuse, the EPA raised concerns about harvesting rainwater from the existing asphalt plant site (now Lot 11) due to potential contamination. The EPA recommended that prior to the reuse of any water originating from this site, an EPA auditor should undertake a contamination assessment and if required, determine the suitability of the onsite water for irrigation. The department has included this requirement in the Concept Plan for any future DA's on the original asphalt site.

7. PROJECT APPROVAL MODIFICATION ISSUES

7.1. Infrastructure Contributions

Regional Contributions

The WSEA is one of the key areas identified by the NSW Government for major industrial and employment growth and is ideally situated near key road networks and infrastructure.

The provision of regional road infrastructure is necessary in order for the WSEA to develop and operate effectively. To help facilitate the supply of this infrastructure, the NSW Government requires all development within the WSEA to provide a contribution of \$180,000 per hectare of developable land [referred to as the Net Developable Area (NDA)] to the Minister.

To facilitate Hanson's regional road infrastructure contribution, the Project Approval required Hanson enter into a Voluntary Planning Agreement (VPA) with the Minister by 3 June 2011. Under the VPA, Hanson were required to contribute \$1,926,000 over two development stages.

Contrary to the approved project, Hanson had not entered into the VPA as required. Consequently, the department has required Hanson to *execute* the VPA *prior* to the determination of the modification application.

Note the required contribution amount has now changed, as the modified Concept Plan increases the NDA from 10.7 ha to approximately 24 ha, as a result of the consolidation of the proposed operations to the south of the site, and the subdivision and creation of Lots 7-11.

The VPA for the modified concept plan has been notified on the department's website for 28 days (notification concluded on the 18 September), and the department expects the Minister to execute it imminently.

A summary of the issues raised by Hanson in relation to the VPA which have now been resolved, include:

- whether certain areas that are undevelopable (such as the OSD) may be excluded from the NDA (which was originally estimated by Hanson to be approximately 24.5 ha);

- whether the rate of \$180,000 per developable hectare was a 'fair' amount;
- whether the SIC would be made as two payments (consistent with the Project Approval) or broken down into staged payments made on a 'Lot by Lot' basis;
- the amount of security that would be acceptable to the department; and
- the timing of security and SIC payments.

The final VPA provides that Hanson will make a total monetary contribution of \$4,204,710 for the purposes of the provision of designated regional infrastructure.

The department has conceded that the payment of the contribution amount over two stages may be a financial burden to Hanson and has therefore provided Hanson with the flexibility to pay the contribution over thirteen stages (13), as outlined in Table 4 (and included in the VPA). These 13 stages are consistent with the development of the Lots outlined in the modified Concept Plan.

Table 4: Staged SIC payments for the Hanson site

Stage Development	of Lot	Net Developable Area (Hectares)	Amount of Regional Contribution	Face Value of Bank Guarantee
1	Lot 1	1.326	\$238,680	\$238,680
2	Lot 2	1.057	\$190,260	\$190,260
3	Lot 3	1.248	\$224,640	\$224,640
4	Lot 4	1.6303	\$293,454	\$293,454
5	Lot 5	2.0982	\$377,676	\$377,676
6	Lot 6	3.334	\$600,120	\$600,120
7	Lot 7	2.852	\$513,360	\$513,360
8	Lot 8	1.676	\$301,680	\$301,680
9	Lot 9	1.793	\$322,740	\$322,740
10	Lot 10	1.463	\$263,340	\$263,340
11	Lot 11	2.343	\$421,740	\$421,740
12	Lot 12	1.697	\$305,460	\$305,460
13	Lot 14	0.842	\$151,560	\$151,560
		TOTAL: 23.3595	TOTAL \$4,204,710	TOTAL \$4,204,710

The VPA specifically requires Hanson to pay the regional contribution for each stage, or Lot:

- prior to the issue of the first Occupation Certificate for any building on that Lot; or
- prior to the commencement of operations on or any use of any part of the land in that Lot, whichever is the earlier date.

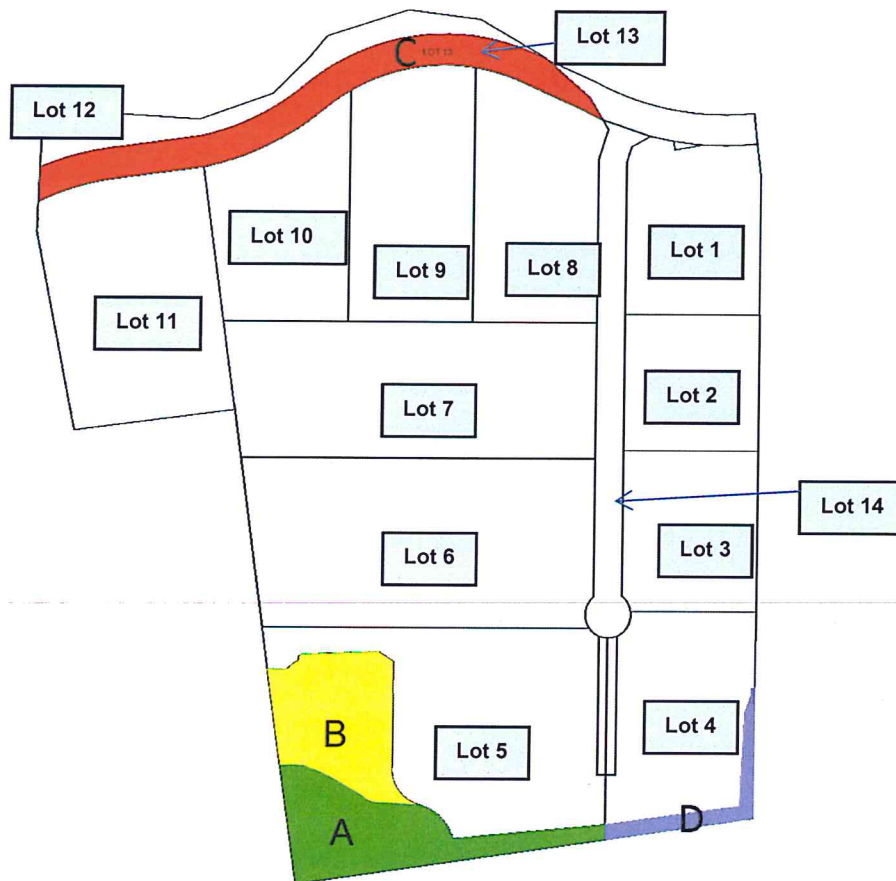
Security is to be in the form of a bank guarantee payable prior to the determination of any planning application for each Lot or stage.

It should be noted that the Lots are not required to be developed in numerical order. Hanson has indicated it intends to develop stage 13, or Lot 14, first – the Internal Estate Road. Hanson provided the security for this stage, on 2 August 2013, as required prior to determination of this modification application (MOD1).

The department has also agreed to exclude certain stormwater infrastructure (see Section 5.5) and conservation areas (see Section 5.3) from the NDA, thus reducing the total NDA from 25.4 hectares to 23.3595 ha. The areas excluded from the NDA are depicted in Figure 5.

The department has recommended a condition requiring Hanson to provide a positive covenant (under Section 88B of the *Conveyancing Act 1919*) over the 'excluded' areas to restrict the future use of these areas, prior to any earthworks on site.

Hanson returned the executed (signed) VPA to the Department on 18 July 2013. The department considers that the contributions are appropriate for the site, and has recommended updated conditions in the Project Approval to reflect the revised VPA.



Exclusion Zones- Net Developable Area			
Label	Description	Affected Lot	Area (m2)
A	Riparian corridor and drainage easement	Lot 5	9,368
B	Sediment Basin	Lot 5	8,660
C	Precinct Collector Road	Lot 13	8,859
D	Drainage easement	Lot 4	2,017

Figure 5: Areas excluded from Net Developable Area

Local Infrastructure Contributions

The existing Project Approval also requires Hanson to pay Council funds towards the development of local road infrastructure ('The Quarry Link Road'), within three years of the Project Approval (i.e. by 3 June 2013). The amount payable was to be consistent with what other landowners in the precinct have paid, in the absence of a Section 94 Plan.

To date no local infrastructure contribution funds have been paid to Council. The department approached Council to ascertain whether a Section 94 Plan is now in place and Council has confirmed that there is now a *draft* Section 94 Plan (*Draft Contributions Plan No.18 – Eastern Creek Stage 3*) which was exhibited between 27 July 2010 and 23 August 2010.

Should the plan be made, the amount payable would be \$587,514.00. However, as the Plan is yet to be formalised, Council recommended a revised condition requiring Hanson to pay funds towards the Quarry Link Road and bridge by November 2014 (or whenever the Plan is made, whichever is sooner), as calculated by the Director-General.

As Hanson has agreed to the modified Project Approval conditions, the department is satisfied that appropriate funds would be paid to Council for the provision of local infrastructure (within a timeframe that is acceptable to Council).

7.2 Flora and Fauna

A tributary of Ropes Creek traverses the southern section of the site and some riparian vegetation occurs along its boundary. This vegetation has been identified as having 'low ecological value' in the *Eastern Creek Precinct Plan (Stage 3)*. Some additional vegetation is present on the southern section of the site which is dominated by 'Swamp Oak' (*Casuarina glauca*) (see Figure 4). In the 2010 assessment of the Concept Plan and Project applications, the department concluded that all existing vegetation on the site was 'highly disturbed'.

The small area of vegetation along the Rope's Creek riparian corridor was protected under the approved Concept Plan (this area is identified in Figure 4 as the purple area in the south-west corner). It also contains a registered aboriginal heritage site (see Section 7.4 for more detail on heritage).

The Concept Plan currently requires Hanson to include detailed flora and fauna assessment for the subsequent DA's, and the Project Approval requires a Landscape Management Plan for the maintenance of the riparian corridor on the south-western corner of the site.

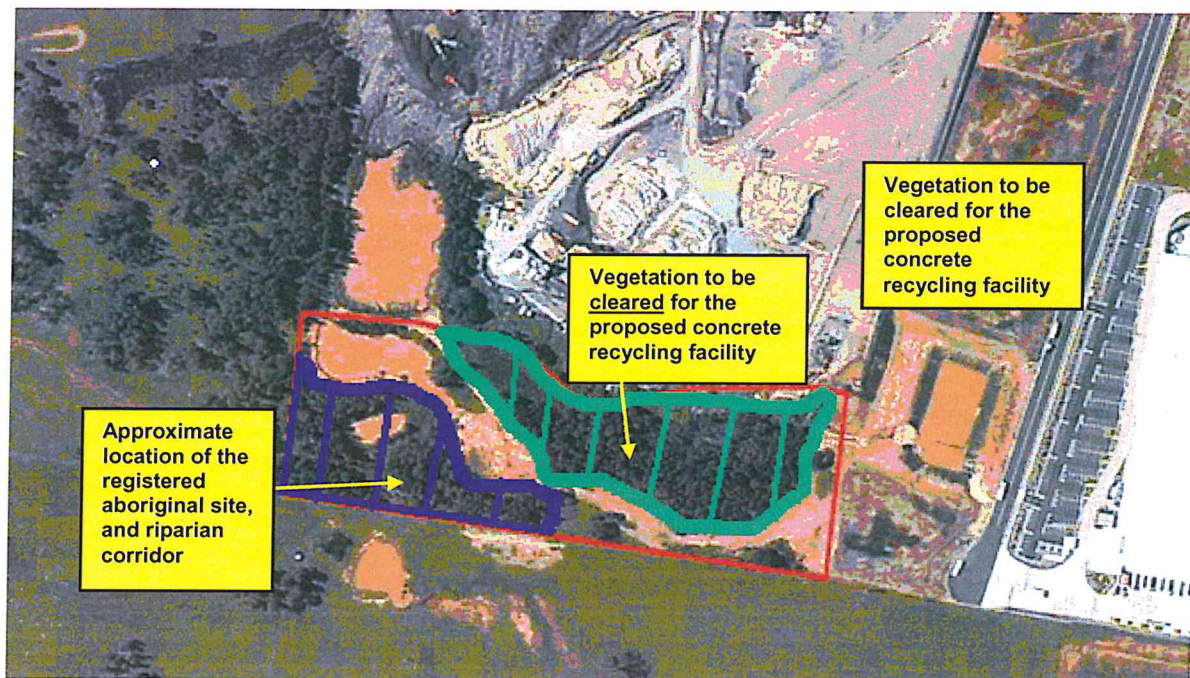


Figure 4: Existing vegetation and identified aboriginal site.

As discussed in Section 2, Hanson are proposing modifications to the Concept Plan that involve relocating the materials storage depot and concrete recycling facility to proposed Lot 5 on the southern part of the site. Construction of these facilities in this location would require the removal of 1.5 hectares of the Swamp Oak vegetation (see green area in Figure 4). Note that the 'Ropes Creek riparian corridor' would not be affected by the proposed relocation of the concrete recycling facility.

In order to consider the potential impacts of the proposed clearing, the department required Hanson to include a biodiversity assessment as part of the modification application. This assessment, undertaken by Geoff Cunningham Natural Resource Consultants, concluded

that the vegetation on the site is a highly degraded 'Swamp Oak (*Casuarina glauca*) – Forest Red Gum (*Eucalyptus tereticornis*) community, dominated by *Casuarinas* with a weedy understory, with low ecological value. The assessment concluded that removal of 1.5ha of this vegetation community would have minimal impact on flora and fauna values.

In its submission, OEH stated that the community present is likely to be an 'ecotone' between two endangered ecological communities (EEC's) (Cumberland Plain Woodland and River-flat Eucalypt Forest), with evidence of regeneration present. As this vegetation is listed under the *Threatened Species Conservation Act 1995*, OEH recommended that the vegetation should be avoided, and if this was not possible then a suitable vegetation offset should be provided at a ratio of at least 2:1.

Council recommended that a Vegetation Management Plan and positive covenant should be provided over the Ropes Creek riparian corridor to ensure its full restoration and ongoing maintenance, but raised no issues with the proposed clearing.

In its RTS, Hanson stated that the clearing of 1.5 ha of vegetation could not be avoided if it is to maximise development within the site. The strip of vegetation lies within the middle of the site for the proposed concrete recycling facility and retaining it would sterilise this area from development.

The department inspected the site and vegetation areas in August 2012 and considered that the assessment undertaken by Hanson was accurate, in that the vegetation is of low ecological value. This was primarily due to a lack of species diversity, large number of weeds and lack of connectivity to surrounding remnant vegetation. Further, management of vegetation in the WSEA has been handled strategically, with 268 ha of important habitat and vegetation communities zoned for 'environmental conservation'. In addition, the Hanson site is zoned 'general industrial' and has been used for industrial purposes for over 60 years. As such, the department considers that the removal of 1.5ha of degraded vegetation would have negligible ecological impacts and concludes that there are other more substantial and better quality vegetation communities that are currently protected within the WSEA.

Notwithstanding, the department advised Hanson that a better environmental outcome could be achieved for this site, through revegetation of available areas with Cumberland Plain Woodland.

In its response to submissions, Hanson proposed to:

- revegetate 1.85 ha of the site with Cumberland Plain Woodland (see Figure 5);
- develop a management strategy for the enhancement of the riparian corridor vegetation in the south west corner. The riparian area would be fenced and segregated from the construction works and future operations, weeds removed and natural regeneration encouraged; and
- maintain the riparian area in perpetuity through a public positive covenant.

The department has included these commitments as recommended conditions in the modified Project Approval.

The department considers that Hanson's proposed vegetation management strategies are appropriate for the vegetation to be retained on the site.

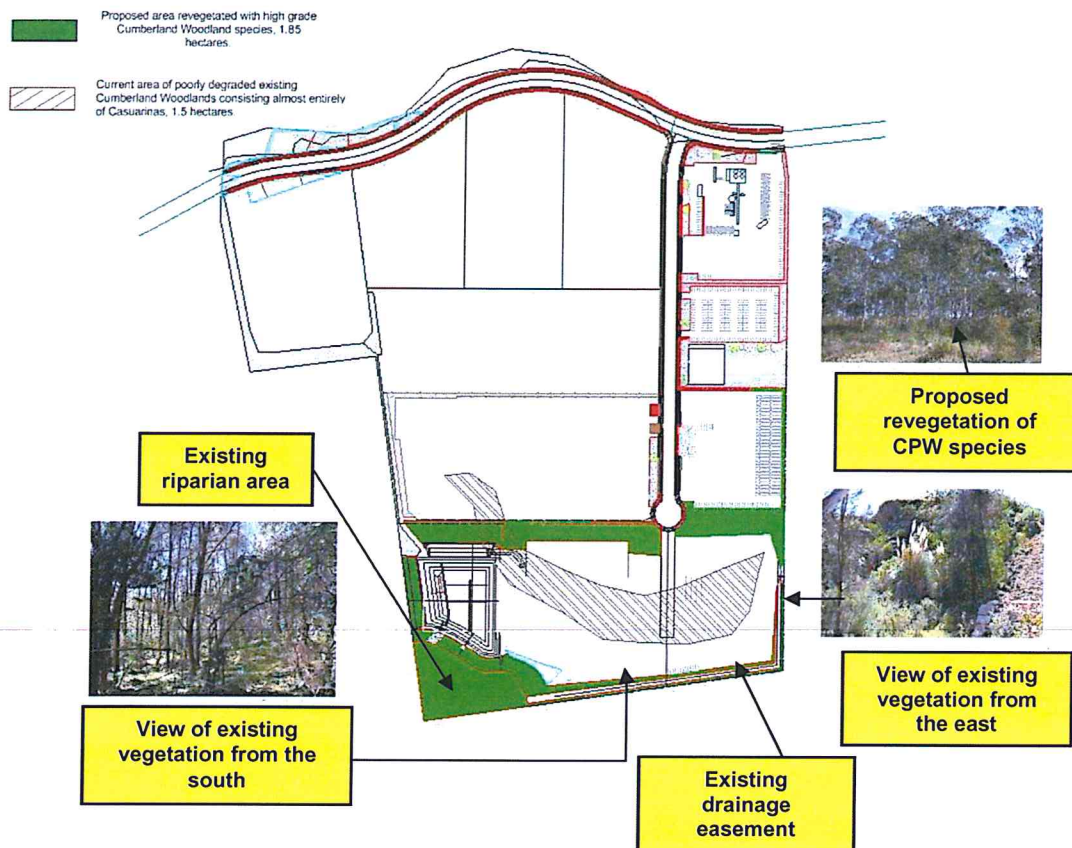


Figure 5: Existing vegetation and proposed revegetation are (in green).

The department has also recommended a new condition in the Project Approval requiring Hanson to implement the Construction Environment Management Plan (CEMP) which contains detailed 'Vegetation Clearing and Grubbing Protocols' during earthworks.

With the implementation of the Landscape and Revegetation Management Plan to protect the riparian areas and revegetate other available areas with Cumberland Plain Woodland, the department considers that the removal of the existing vegetation is justified.

7.3 Stormwater

The Concept Plan included a preliminary design for the on-site stormwater solution and required Hanson to undertake further detailed design, in consultation with Council at subsequent DA stages.

The Concept Plan included an on-site stormwater management scheme, principally comprising of a large stormwater detention basin and a wetland area (to be constructed at no cost to Council) and water quality treatment devices such as Gross Pollutant Traps (GPTs). All run off from building roofs was proposed to be directed to rainwater tanks and hardstand water would be directed to the wetland. Some water within the wetland area would be re-used for processing, dust suppression and other non-potable uses.

The Project Approval required Hanson to create an easement across the southern part of the site in favour of the 'Australand' site (to the east) to facilitate overland flows.

The modification application included:

- revisions to the surface water management regime outlined in the Concept Plan to account for the increase in developable area (including the new Lots 7-11); and

- modifications to the Project Approval, to enable stormwater works to be physically undertaken (including removal of sedimentation basins and dams from the site and construction of the new stormwater infrastructure) .

No changes to the Australand easement were proposed.

The revised stormwater drainage network included revisions to the sizing of proposed pits and pipes that convey surface flows into the on-site detention (OSD) basin and wetland (on Lot 5). The size of the stormwater management devices was determined through MUSIC water quality modelling. The department notes that the application *refers* to estimations made for new Lots 7-11 based on typical impervious fractions for industrial Lots, however this modelling was not included with the application.

Council's development controls detailed in Part R of the *Blacktown Development Control Plan 2006* (DCP) require Hanson to mitigate post development surface water flows from the site to match flows from a pre-developed rural catchment for all storm events (from 1 in 1 year ARI to 1 in 100 year ARI). It also requires Hanson to demonstrate that any water flows leaving the site adhere to Council's strict water quality objectives.

In its submission, Council requested copies of the drainage and stormwater modelling used to justify the (dimensions in the) stormwater management devices. It also required a number of revisions to the OSD and wetland area, and details on the long-term maintenance of this system.

Hanson commissioned Martens (Civil Hydraulic and Wastewater Engineers) to address Council requirements and provide revised plans. Martens also provided a Stormwater Quality Improvement Device (SQID) maintenance schedule to achieve the long term maintenance of stormwater management facilities and provisions for the monitoring and reporting of SQID effectiveness.

Council has confirmed that it is generally satisfied with the 'Integrated Water Management Plan' and considers that the 'Revised Stormwater Plan Set' addresses its requirements relating to stormwater quantity and quality improvement device (SQID) maintenance and management, and sediment and water quality monitoring, subject to some additional conditions of approval (to be included in the Project Approval). These conditions would require Hanson to:

- update the Drainage Plans and provide certification from an independent engineering consultant demonstrating compliance with the DCP;
- place covenants over the SQID'S prior to the occupation of the site;
- place easements over drainage lines pursuant to the *Conveyancing Act 1919*; and
- maintain and operate the SQID's to Council's satisfaction, including providing written evidence that an appropriately licenced contractor has been engaged to maintain the SQID's for the first year of operation.

The department has included conditions (in the Project Approval) to ensure that Hanson undertakes surface water management and maintenance in accordance with the plans provided in the RTS, and to ensure Council's ongoing requirements are met.

In addition, the department has recommended new environmental assessment requirements in the Concept Plan that require Hanson to demonstrate in future DA's for each Lot that off-site stormwater quality and quantity would not be altered from pre-development flows, as predicted in the modification application.

The department is satisfied that the recommended terms would ensure the control and treatment of surface water flows from across the entire Hanson subdivision, thereby complying with Council's strict water quality requirements.

7.4 Air quality

Background

Historically, the operation of Hanson's aging plant and infrastructure resulted in the EPA receiving dust complaints from industrial neighbours, particularly from newer neighbours who had more recently developed closer to the Hanson site.

As such, the Project Approval required Hanson to develop a comprehensive Air Quality Management Plan (AQMP) be prepared and implemented for the site prior to the construction of the new facilities in the Concept Plan. Under the AQMP, Hanson committed to a number of dust mitigation and management measures, including continuous fine particulate (PM₁₀) monitoring with defined short and long term investigation and action levels.

The EPA also imposed a Pollution Reduction Program (PRP) on Hanson's Environment Protection Licence (EPL) which reflects the commitments which have been outlined in the AQMP, such as use of water sprays and a wheel wash, stockpile management and covering of truck loads. As the majority of the old infrastructure has been now been decommissioned, dust is not currently an issue; however the AQMP and the PRP remain in place for the site.

Earthworks (dust) impacts

The original EA considered that earthworks across the site would have the potential to generate dust impacts, but with appropriate safeguards being in place, such as good site management and housekeeping, impacts would be minimal.

The application seeks to modify the Project Approval to allow bulk earthworks to be undertaken across the entire site and construct stormwater infrastructure, utility services and the Internal Estate road. Hanson has identified a number of areas / actions which could generate significant off site dust impacts if not managed properly, such as:

- heavy vehicles and plant on unsealed roads within the site (wheel generated dust);
- earthworks and removal of trees and shrubs;
- crushing and screening of aggregate; and
- wind erosion of stockpiles / exposed areas.

Earthworks are proposed to begin on the south-western corner of the site, and Hanson would slowly work towards the northern part of the site over a 12-18 month period.

No modelling of earthworks and/or construction air quality impacts was undertaken for the proposed modification. Notwithstanding, the application did include a Construction Environmental Management Plan (CEMP) with sub plans including an Erosion and Sediment Control Plan (Plan A) and a Noise, Dust and Vibration Management Plan (Plan B). Plan B includes the reactive dust monitoring and management program, also included in the AQMP discussed above. Hanson is proposing to use a continuous PM₁₀ monitor on the eastern boundary and three dust deposition gauges around the perimeter of the site during earthworks and construction.

Hanson considers the proposed management measures would ensure prompt response to any short-term dust issues during earthworks and road construction. Council and the EPA raised no issues with the proposed construction management plans or approach. The department considers that the proposed measures are standard and should ensure that Hanson minimises any off-site impacts.

Nonetheless, due to the sensitivity of the surrounding warehouses and the history of dust complaints relating to the site, the department has recommended the following additional conditions to be included in the Project Approval, including:

- instant notification to the department, if, during the construction or earthworks period there are any dust complaints, or exceedances of fine particulate (PM₁₀) short and long term investigation and action levels, as identified by Plan B. This notification to the department should include any actions proposed to mitigate dust impacts, and a schedule for the implementation of those actions;
- cease or modify works should the recorded 15-minute average PM₁₀ concentrations exceed the action level of 200 µg/m³ and meteorological conditions suggest that site activities are the dominant contributor;
- develop a Community Engagement Plan for provision to all businesses within 1km of the site which describes the works proposed and contact numbers for complaints / enquiries; and
- signage at the site access which identifies the site and general activities (bulk earthworks). The signage would include a contact phone number for a site manager able to handle complaints and enquiries.

The department considers that despite the long earthworks/construction period, the existing conditions and additional recommended conditions, along with the implementation of the CEMP during earthworks, would ensure that off-site dust impacts are minimised as far as practicable.

7.5 Retaining walls

The application seeks to construct retaining walls across the site. The revised contour plan (Appendix 6F of the modification application) includes retaining walls between 2 and 10 metres (m) high along 180m of the western site boundary.

Council considered that the proposed heights were 'excessive' and should be reduced to the maximum allowable heights specified in the WSEA SEPP – that is 3m high with 1.5m vegetated setback between successive rises.

In its response to submissions, Hanson stated that the walls would be positioned so that they would not be visible from any public roads. Also, it was noted that there are other non-complying retaining walls nearby – that is a Best and Less retaining wall of approximately 6 m (at Eastern Creek), and a 'Laminex' site retaining wall (at Prospect) which is approximately 5 m high (with no setback).

The department discussed this issue with Council, and it was agreed that, consistent with surrounding developments, the proposed retaining walls could be constructed up to a maximum height of 6 m, with a landscaped step-back of 1.5m in between rises.

Hanson is to revise the conceptual contour plans to Council's satisfaction prior to earthworks.

The department has included the retaining wall requirements in the recommended conditions for the Project Approval, and Hanson has accepted these requirements.

7.6 Heritage

The Hanson site contains an area of high 'Aboriginal archaeological sensitivity' as detailed in the Eastern Creek Precinct Plan (Stage 3), and this area is generally depicted in Figure 4. The existing Project Approval contains a condition (28) which prevents Hanson from disturbing this area.

The modified concept plan layout includes some development within this sensitive location. As such, the department required Hanson to include an Aboriginal heritage assessment as part of its application for the proposed modification.

The assessment, which was undertaken by AHMS, found one registered Aboriginal archaeological site situated within the riparian area. It contains several 'flakes and a broken chert blade'. This Aboriginal site is already protected from all potential impacts of the modified development as it was found to be located within the riparian/conservation area that would be protected by covenant (see Section 5.3). As such, the department has no concerns with the revised concept layout in relation to Aboriginal heritage. OEH also raised no concerns.

The department recommends replacing condition 28 with a new condition to ensure that Hanson does not disturb the riparian area identified in the revised Concept Plan in Appendix 1, other than for the purposes of regeneration or restoration.

7.7 Continued use of the Fulton Hogan Asphalt Plant

The Project Approval included a three (3) year sunset clause for continuing operations on the site, which was intended to ensure that Hanson implemented elements of the Concept Plan and modernised the site in a timely manner. The department considered that this would reduce problematic amenity impacts such as odour, dust and noise.

The department notes that all operations on site have been decommissioned with the exception of the asphalt plant, with elements such as crushing and grinding, and materials stock piles no longer the cause of local dust problems (see Sections 6.4 and 7.3).

Hanson transferred its asphalt business (including the plant) to Fulton Hogan (FH) around three years ago.

As part of the modification application Hanson is seeking to allow the FH asphalt plant to continue to operate (on proposed Lot 11 - its existing location) for a period of three additional years, until the new asphalt plant can be constructed and commissioned.

The department notes that the FH Asphalt plant is more than 500 metres away from the nearest industrial receptors, the Kmart and Best and Less warehouses (see Figure 1). In addition, an environmental management and monitoring system for the site has been implemented (to regulate the environmental performance of the facility) as required by the project approval.

Given that all other components of the site have been decommissioned, the department considers that the continued operation of only the FH asphalt plant is unlikely to pose a risk to local amenity. In addition to the existing management measures in place to ensure compliance with the Concept and Project Approvals and EPL, strict air quality management measures are proposed to be implemented when undertaking earthworks across the site in the near future (See Section 7.3).

To ensure consistency with the Concept Plan approval the department considers that an appropriate timeframe for the continued operation of the FH asphalt plant (with no increase to existing production levels) is until 3 June, 2015. The department has recommended a condition to reflect this, and is satisfied that continued operation of the FH asphalt plant can occur without significant amenity impacts for neighbouring warehouses.

8. CONCLUSION

The department has assessed the merits of the proposal in accordance with the requirements of the EP&A Act.

This assessment has found that:

- the subdivision and associated bulk earthworks and installation of site services would be conducted in an environmentally responsible manner;
- there are environmental assessment requirements in place in the Concept Plan to ensure future DA's satisfy traffic and air quality concerns;
- the clearing of vegetation would be appropriately offset by revegetation on site and conditions are suitable to protect the existing riparian area and aboriginal heritage;
- there are conditions in the Project Approval to ensure that works would be undertaken to ensure compliance with Council's requirements for surface water management and stormwater quality improvement device maintenance;
- adequate funding would be provided by Hanson towards the development of local and regional infrastructure; and
- the modified Concept Plan and Project Approvals would remain consistent with the objectives of the WSEA SEPP and would meet the development standards in the Precinct Plan.

Consequently the department believes the proposal should be approved subject to some amendments to the existing Project and Concept Plan conditions of approval.

9. RECOMMENDATION

It is RECOMMENDED that the Director:

- **consider** the findings and recommendations of this report;
- **determine** that the proposed modification is within the scope of section 75W of the EP&A Act;
- **approve** the application subject to conditions; and
- **sign** the attached notice of modification (**Appendix C**).

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24/10/13



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