

**Hanson Concrete and Asphalt Project
MP 06_0225 MOD 2
Section 75W Modification**

1. BACKGROUND

Hanson Construction Materials Pty Ltd (Hanson, the Proponent) owns a 24 hectare site at Eastern Creek in the Blacktown local government area (see **Figure 1**).



Figure 1: Hanson site and surrounding landmarks

The site is located within the Western Sydney Employment Area (WSEA), 36km west of the Sydney CBD and close to the M4 and M7 Motorways. Access is via Honeycomb Drive and Wallgrove Road. The nearest residential dwellings are approximately 800m to the west at Erskine Park and 1 km to the north of the site in the suburb of Minchinbury.

Between 1950 and 2005, Hanson operated its concrete and asphalt facility alongside a hard rock quarry. The quarry area ceased operations in 2005 and was sold to ThaQuarry Pty Ltd, which currently operates the site as a landfill.

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. An Energy from Waste (EFW) facility is proposed on the site directly to the west of the site.

1.1 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 consolidate operations onto its land (now the southern part of its former holdings, see **Figure 2**).

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.

In late 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 in its existing location (see **Figure 2**).

In accordance with the Project Approval, by the end of 2012, Hanson has 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 was also 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).

1.2 Previous modification (MP 06_0224 MOD 1)

A modification to both the Project and Concept Approvals (MP 06_0224 MOD 1) was approved by the Department on 10 February 2012. This modification essentially allowed site layout changes to the approved Concept Plan and additional subdivision of the site into 14 Lots, to enable a larger portion of its site to be sold for future industrial purposes.

The approved Concept Plan site layout is provided in **Figure 2**.

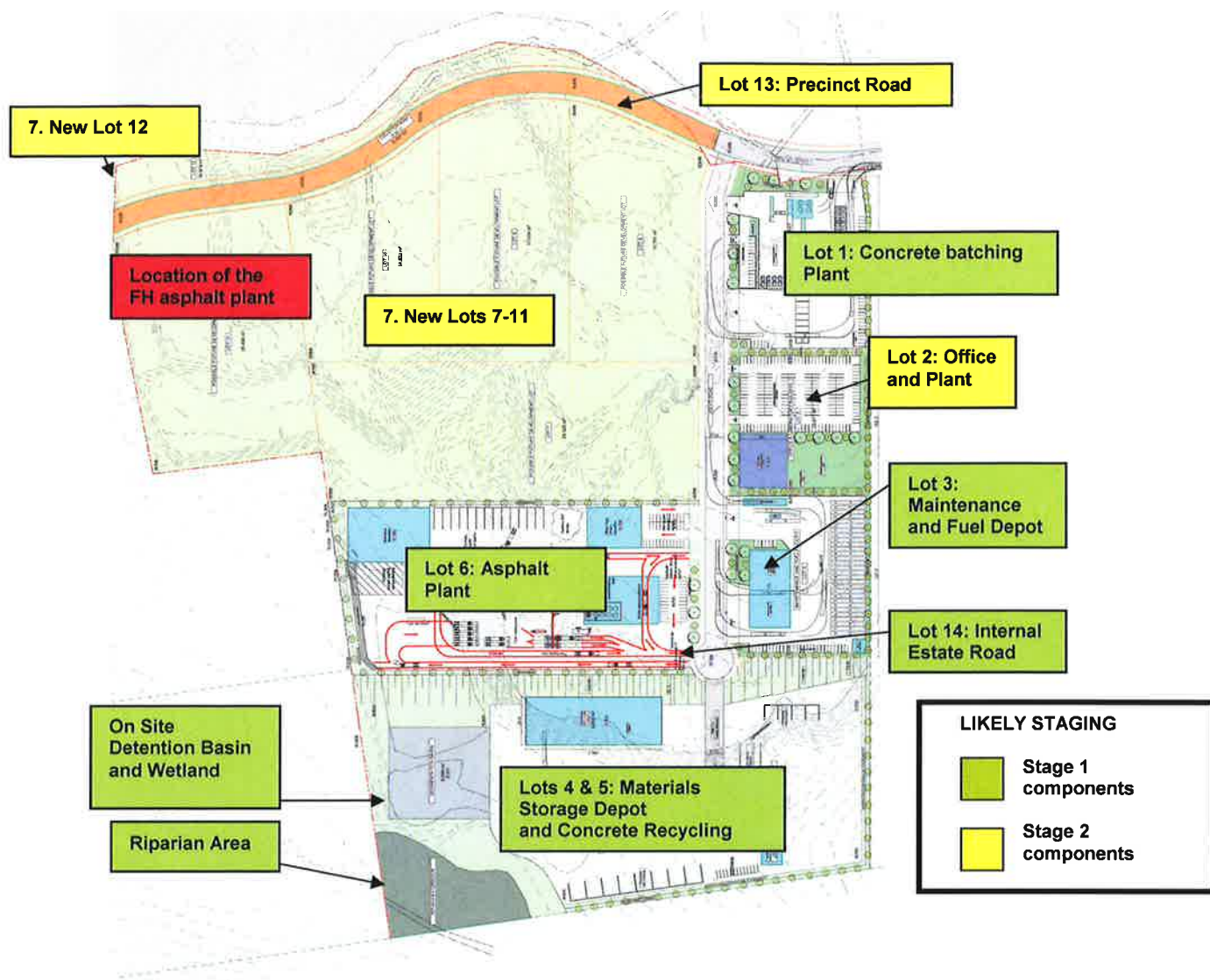


Figure 2: Approved Concept Plan layout and location of the FH asphalt plant

In addition, MOD 1 of the Project Approval allowed:

- bulk earthworks to be undertaken across the entire site and the implementation of services such as potable water, sewer, electricity and telecommunications; and
- the FH asphalt plant to operate for an additional two (2) years in its existing location.

Development Applications (DA's) for the new facilities are required to be submitted in accordance with the Concept Plan requirements. Should they meet the criteria in the *State Environmental Planning Policy (State and Regional Development) 2011* (SRD SEPP), the Minister for Planning would be the consent authority. Any future applications for the site that do not meet the criteria in the SRD SEPP would be assessed and determined by Council.

1.3 Current Status

Contractual dealings between the Proponent and potential developers have been slow, and as such DA's relating to the new facilities have not yet been submitted.

Notwithstanding, the Proponent anticipates that site works such as earthworks are likely to commence during the second half of 2015 and should be completed by mid-2016. During this time, the Proponent intends to submit DA's for the individual elements of the Concept Approval.

The current Project Approval allows the FH plant to operate until 3 June 2015. Due to delays in securing future developers for its land, the Proponent is now seeking to extend the operation of the existing asphalt plant for a further two years.

2. PROPOSED MODIFICATIONS

On 19 May 2015, the Department received a modification request (MOD 2) and supporting documentation from the Proponent to modify Condition 2 of Schedule 2 of the Project Approval 06_0025. This condition currently permits the operation of the Fulton Hogan (FH) Asphalt Plant until **3 June 2015**. Hanson has requested that this condition be modified to allow FH to operate the plant for an additional two years until **3 June 2017**.

The existing FH plant employs six production staff providing product to up to three transient road crews of 30 employees. This year it has provided asphalt to over 19 different Councils in and around Sydney as well as Roads & Maritime Services, property developers, and various construction contractors.

The modification request is essential to enable FH to satisfy the current demand for its products. FH has entered into supply agreements that need to be upheld, including the supply of asphalt for major infrastructure works in Sydney such as Stage 2 of the new M5 East Corridor (East Airport Link, Beverley Hills to St Peters).

4. STATUTORY CONSIDERATION

4.1 Approval Authority

The Project and Concept approvals for the Hanson site were granted in 2010 under Part 3A of the *Environmental Planning and Assessment Act 1979* (the Act).

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 projects.

Therefore the Minister for Planning is the approval authority for the modification application. Under the Ministerial delegation of 16 February 2015, the Manager - Industry Assessments may determine the modification application as Council did not object, there were no political donation disclosures, and there were no public objections.

4.2 Modification

The modification application is seeking to extend the existing operations of the FH facility for two additional years. The nature and scale of the approved impacts of the existing operations would not change. As such, the Department is satisfied that the application can properly be characterised as a modification to the original Project Approval, and can therefore be assessed and determined under Section 75W of the Act, rather than requiring a new application.

4.3 Consultation and Submissions

The Department made the application publicly available on its website and invited submissions from the Environment Protection Authority (EPA) and Blacktown City Council (Council). Due to the administrative nature of the request, wider consultation with other agencies and the community was considered to be unnecessary.

Council's submission on the proposal is summarised below and attached in full at **Appendix C**.

Council raised concerns regarding the infrastructure works that are required to be undertaken by Hanson to facilitate development within the precinct.

The EPA provided no comments.

5. ASSESSMENT

The Department has assessed the merits of the proposed modification(s). During this assessment, the Department has considered the:

- supporting documentation for the modification applications (see **Appendix B**);
- Director-General's assessment reports for the original project approval;
- existing approval conditions;
- all submissions (see **Appendix C**);
- relevant environmental planning instruments, policies and guidelines; and
- requirements of the Act, including the objects of the Act.

The Department considers the modification request to be mainly administrative in nature, but has considered the environmental performance of the existing FH facility in making its recommendation.

In addition, Council raised concerns regarding the requirements in the existing approvals for the Proponent to provide contributions for the development of local roads.

These issues are considered below.

5.1 Continued operation of the FH asphalt plant

The Project Approval allows FH to produce up to 270,000 tonnes per annum of asphalt emulsion material until 3 June 2015. The Proponent is now seeking to allow FH to operate in its existing location for an additional two years until 3 June 2017.

Key issues associated with the operation of the FH facility may include odour, dust and noise impacts on nearby sensitive receivers and impacts on the road traffic network.

The supporting documentation prepared by the Proponent states that FH has processed around 200,000 tonnes of material from the site this year to date, within the terms of its Environment Protection Licence (494) and Project approval.

The Department is not aware of any complaints relating to the operation of the site from neighbours. In addition, the Department has not been advised by Council or the EPA that there are any current issues with the FH operations from an environmental perspective.

The Department considers that the continued operation of the FH asphalt plant for an additional two years is not likely to result in any unacceptable impacts on any neighbouring properties or residential areas. The Department's assessment concludes that the operation of the FH asphalt plant for an additional two years would not result in any additional environmental impacts that could not be managed through the existing approval conditions. As such, no additional conditions have been recommended.

5.2 Stormwater Easements

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) (see **Figure 3**).

In addition, the Project Approval requires Hanson to create an easement across the southern part of the site and riparian area pursuant to Section 88B of the *Conveyancing Act, 1919* and to the satisfaction of Council, within three months of the completion of earthworks.

The easements are required to be in favour of the 'Australand' site (to the east) to facilitate overland flows to a proposed Council precinct basin that will be located south of the site (i.e. land to the east needs a right to drain across the site to the proposed precinct basin that would be located to the south).

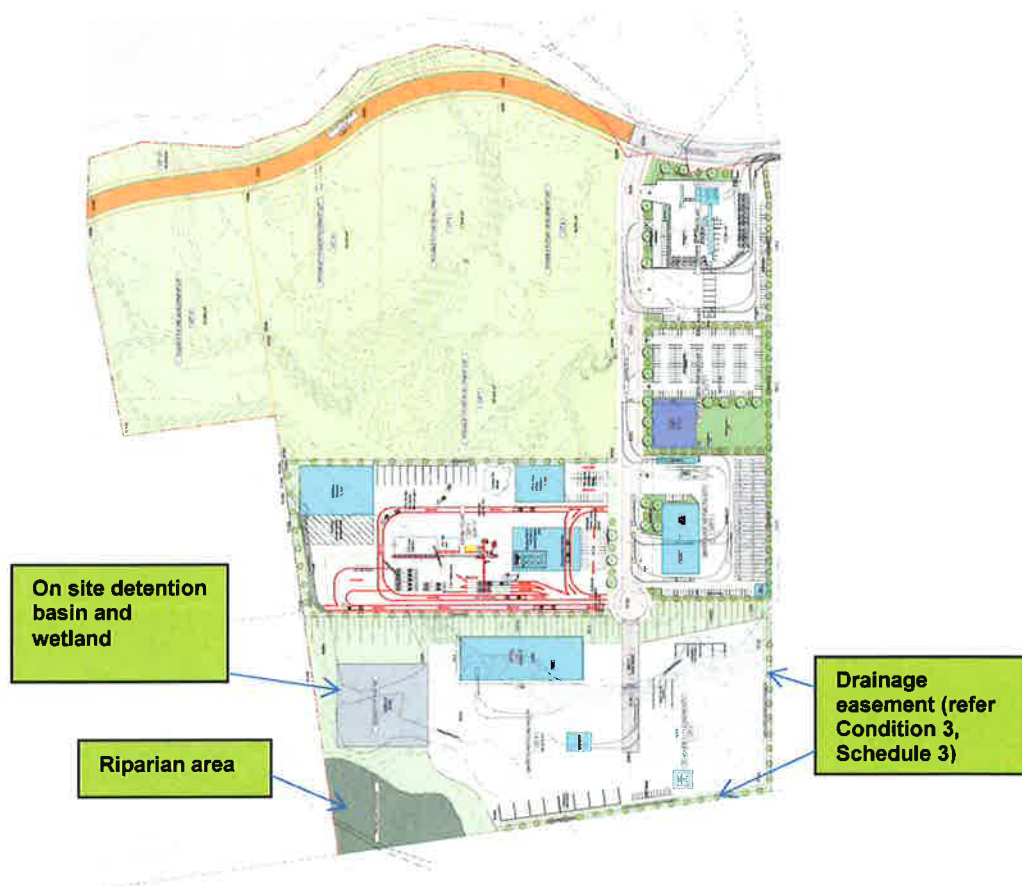


Figure 3: Drainage easements in the modified Concept Plan

Council raised concerns that other developments in the precinct (to the south and east) may precede the completion of earthworks at the Hanson site. Accordingly, Council recommended amendments to Conditions 2 and 3 to ensure that appropriate easements are in place, in favour of the properties to the east of the site, within three months of the completion of a Council detention basin servicing land to the east of the site, or within three months of the completion of earthworks, whichever is sooner.

The Department has adopted Council's recommendations to amend the timing requirements for these easements.

5.1 Local Road contributions

Precinct Road

Condition 21 of Schedule 4 of the Project Approval requires the Proponent to construct the precinct road to the north of the site (see **Figure 3**) and dedicate the road to Council within 5 years of the date of the Project Approval (i.e. by June 2015). Presently, the road has not been constructed and the Proponent is technically in breach of this condition.



Figure 3: Precinct Road

In its submission, Council recommended that this section of the precinct road be completed by the Proponent as a matter of urgency as the delays in constructing it were affecting the orderly development of the precinct. Council would only support the two year extension for the operation of the FH asphalt plant if the sections of the Precinct Road that fall within the site are completed within 12 months of the approval of the modification request.

The Department has raised these issues with the Proponent to understand the reasons for the delay. The Proponent has suggested that these works are contingent on ThaQuarry completing the small section of road circled in red in **Figure 3** so that it can begin works.

Notwithstanding, the Department has raised this matter with its Compliance Unit who are investigating the Proponent's obligation and compliance with the road work conditions. Any compliance outcome on this matter will be dealt with separately from this modification application.

Further, the Department has included Council's recommended condition which requires the Proponent to construct the precinct road to the north of the site within 12 months of the date of the approval of MOD 2.

6. CONCLUSION

The Department has assessed the application, the EA, the submissions and RTS in accordance with the relevant requirements of the EP&A Act.

The Department has carefully considered the potential impacts associated with the continued operation of the FH facility. The Department considers that all impacts can be managed through the existing conditions of approval and EPL for the facility.

The Department is of the opinion that the modification would allow FH to continue to support the development of new infrastructure in and around Sydney thorough the provision of its products.

Consequently the Department is satisfied that the proposed modification is minor, is in the public interest and should be approved by the Manager, Industry Assessments.

7. RECOMMENDATION

It is RECOMMENDED that the Manager, Industry Assessments:

- **approve** of the proposed modifications under Section 75W of the Act; and
- **sign** the attached instrument (**Appendix A**).

Khamann - 3/6/15

Kerry Hamann
Senior Planner
Industry Assessments

C. Ritchie
Chris Ritchie *3/6/15*
Manager
Industry Assessments