

ASSESSMENT REPORT

GUNLAKE QUARRY

Lynwood Interchange Modification (07_0074 Mod 1)

1. BACKGROUND

Gunlake Quarries Pty Ltd (Gunlake) owns the Gunlake Quarry approximately 8 km northwest of Marulan, 30 km east of Goulburn and 160 km south west of Sydney (**Figure 1**).



Figure 1: Location Map

On 24 September 2008, the then Minister for Planning approved the construction and operation of the quarry (MP 07_0074) under Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act). The Gunlake approval permits extraction, processing and transport of up to 500,000 tonnes of hard rock per year for 30 years, and transportation of finished product from the quarry in two stages:

- Stage 1 Transportation limited to monthly average 25 truck movements per day, with a maximum of 38 movements per day; and
- Stage 2 Transportation limited to 100 truck movements per day, including up to 25 truck movements per day through Marulan.

The approved project includes the upgrade of local roads and the construction of a purpose-built public road for vehicles transporting product to the northern market to bypass Marulan ("bypass road"). The bypass road provides a link between Brayton Road and the Hume Highway and is to be constructed prior to the commencement of the second stage of transport (see **Figure 2**). Vehicles returning from the northern market were to utilise the Marulan interchange to return to the bypass road, which required the construction of a new roundabout at the intersection of Brayton Road and George Street. The quarry commenced operations in 2010. Construction of the bypass road and its intersection with the Hume Highway is currently underway and nearing completion.



Figure 2: Approved Transport Route – Stage 2

2. PROPOSED MODIFICATION

Gunlake is seeking to modify the project approval to use the grade separated interchange south of Marulan, which has recently been constructed for the Lynwood Quarry ("Lynwood Interchange" shown in **Figure 3**). Gunlake proposes to use this interchange for vehicles returning to the quarry from the north in lieu of the Marulan interchange, therefore negating the need to construct the roundabout. Trucks would continue past the Marulan interchange, take the exit at the Lynwood interchange, cross the highway and return to the northbound lanes of the highway, as shown in Figure 3.

No other changes to the existing approved activities are proposed.



Figure 3: Lynwood Interchange schematic – proposed Gunlake vehicle route shown in yellow
(Source: Lynwood Quarry Assessment Report, Umwelt 2005)

3. STATUTORY CONTEXT

3.1 Section 75W

Although Part 3A of the EP&A Act was repealed on 11 October 2011, the approved operations of the Gunlake Quarry remain a "transitional Part 3A project" under Schedule 6A of the EP&A Act. The proposed modification is therefore being considered under the former Section 75W of the EP&A Act, in accordance with the relevant savings provisions.

3.2 Consent Authority

The Minister was the approval authority for the original project application. Consequently, the Minister is the approval authority for the modification application. However, the Planning Assessment Commission (PAC) must determine the application under the Minister's delegation of 14 September 2011 as Gunlake has declared reportable political donations.

3.3 Modification

The proposed modification involves changing the proposed transport route to use an already established highway overpass and no longer constructing a roundabout. As this does not entail any changes to other aspects of the approved operations, the Department believes it should be characterised as a modification to the original approval rather than a new project in its own right. Consequently, the Department is satisfied that the proposed modification is within the scope of Section 75W of the EP&A Act.

3.4 Environmental Planning Instruments

The Department has considered the relevant environmental planning instrument for the proposal, the *State Environmental Planning Policy (Infrastructure) 2007*, and has consulted with both roads authorities, neither of which object to the proposal. The Department is satisfied that no other environmental planning instruments substantially govern the proposal.

4. CONSULTATION

The Department made the modification request publicly available on its website from 14 November 2012, and consulted with the Roads and Maritime Services (RMS) and Goulburn Mulwaree Council (Council) on the proposal.

The **RMS** has no objections to the proposed modification.

Council does not object to the proposed modification subject to an increase of the road maintenance contribution rate to account for no longer constructing the roundabout (see Section 5.2).

No public or special interest group submissions were received in the course of this assessment process.

5. ASSESSMENT

In assessing the merits of the proposal, the Department has considered the:

- EA for the original proposal;
- existing conditions of approval;
- information provided by Gunlake to support the proposed modification (**Tag A**);
- EAs and project approvals for the nearby Lynwood Quarry, Peppertree Quarry and Ardmore Park Quarry projects;
- relevant environmental planning instruments, policies and guidelines; and
- the requirements of the EP&A Act, including the objects of the Act.

Based on this consideration, the Department believes the key issues for the proposal are the effects of the increased traffic on the Lynwood Interchange and the implications of no longer building the roundabout (primarily on the road maintenance contributions).

5.1 Transport

The Lynwood Interchange is a full grade separated interchange with acceleration and deceleration lanes to connect with the highway. The interchange was constructed for vehicles accessing the Lynwood quarry, and it provides access to other industrial uses in the region including the Ardmore Park Quarry near Bungonia, and the Peppertree Quarry and Marulan South Limestone Mine. The interchange also provides access for local traffic to and from the highway. A summary of the maximum approved heavy vehicle movements for the approved quarry and mining projects is provided in Table 1.

Table 1: Maximum approved daily truck movements at Lynwood Interchange

Project	Maximum Daily Truck Movements
Lynwood	324
Ardmore Park	88
Peppertree Quarry and Marulan South Limestone Mine	Limited to delivery and service vehicles as product is transported to market via rail

With a maximum approved 100 vehicle movements (in and out) per day the Gunlake project would add a maximum of 50 heavy vehicles per day to the Lynwood interchange, or a 12% increase on the Lynwood and Ardmore Park Quarry heavy vehicle movements.

Gunlake's use of the Lynwood Interchange would increase hourly traffic by 2 truck movements in each direction or 3 truck movements during the peak hour. The Lynwood traffic assessment modelled the interchange based on a maximum additional 100 heavy vehicle loads per hour for the Lynwood Quarry, which found the interchange would operate at a good level of service. The Lynwood Quarry currently operates at approximately 20 truck movements per hour.

Given the small number of additional hourly vehicles associated with the Gunlake project, the Department is satisfied that the increase associated with the proposed modification would result in a marginal increase in total hourly traffic movements, and would not affect the capacity of the interchange. The modification would not change the impacts of the project on the highway, as it

would involve a shifting of truck movements from one interchange to another, therefore interaction with highway traffic would be similar.

The Department is therefore satisfied that the proposed modification would not significantly impact upon the interchange, the highway or traffic volumes.

5.2 Roundabout

The Department notes that the proposed modification would mean that trucks returning from the north would no longer need to enter Marulan to return to the highway, resulting in a reduction in traffic volume increases at this intersection and associated traffic and noise impacts. Impacts associated with the construction of the roundabout would also no longer occur. The Department notes that under the approved project, a maximum of 38 trucks per day would use this intersection during Stage 1 without the roundabout, and 25 truck movements per day can use Brayton Road to travel south during Stage 2.

Under the project approval, Gunlake is required to pay contributions to Council for the upgrade and maintenance of roads under Section 94 of the EP&A Act and in accordance with Council's Development Control Plan. The project approval provides for a reduction in the contributions rate to account for the benefit of the road upgrade works associated with the project.

On 14 May 2009, Gunlake and Council signed a Deed of Agreement which includes the payment of road maintenance contributions at a rate of 2.8 cents per tonne per kilometre (c/t/km) during Stage 2. This is a reduced rate from the normal contribution rate in 2009 of 4.471 c/t/km, therefore the reduction applied for the roadworks equals 1.671 c/t/km.

The total estimate for project-related road works used to calculate the reduction is \$3 million, which includes \$600,000 for the roundabout (or 20% of the total). Council has recommended that the contribution rate therefore be adjusted to reflect this change and the reduction of 1.671 c/t/km be reduced by 20% (or 0.33 c/t/km). This equates to a new contribution rate of 3.13 c/t/km.

The Department has considered Council's request and believes it is a reasonable adjustment, and has included a recommended condition of approval requiring Gunlake to pay the revised contribution rate during Stage 2 transport. Gunlake has accepted the revised rate.

6. RECOMMENDED CONDITIONS

The Department has prepared recommended conditions of approval for the modification. These conditions include requiring Gunlake to:

- pay a Section 94 contribution rate of \$0.0313 tonne/km to Council for Stage 2 transport in accordance with the provisions of Council's Development Control Plan and indexed to inflation;
- review and, if necessary, revise its management plans to reflect the changes proposed by the modification; and
- ensure vehicles returning from the north exit and re-enter the Hume Highway via the Lynwood Interchange before turning left into the bypass road.

The Department has also updated the conditions to reflect changes to government agency names, relevant administrative changes to the project approval and to update the standard reporting, management plan review and public information requirements. A consolidated set of proposed conditions is provided at **Tag C**. Gunlake and Council have reviewed and accepted these conditions.

7. CONCLUSION

The proposed modification would result in an average of 2 additional trucks per hour using the Lynwood Interchange and no longer constructing a new roundabout in Marulan. The Department is satisfied the proposed modification would not significantly impact the performance of the interchange, the highway or traffic volumes.

The Department has assessed the proposed modification in accordance with the relevant requirements of the EP&A Act, including the objects of the Act and the principles of ecologically sustainable development, and is satisfied that it is in the public interest and should be approved.

8. RECOMMENDATION

It is RECOMMENDED that the PAC, as delegate of the Minister:

- **consider** the findings and recommendations of this report;
- **determine** that the proposed modification is within the scope of the EP&A Act;
- **approve** the proposed modification under section 75W, subject to conditions; and
- **sign** the attached Notice of Modification (**Tag B**).

Kitto 18/12/12

David Kitto
Director
Mining and Industry Projects



Chris Wilson
Executive Director
Major Projects Assessment

20.12.12

RP 21/12/12

Richard Pearson
Deputy Director-General
Development Assessment & Systems Performance