



**Australian Government**

**Department of Defence**

**NAVAL GUIDED WEAPONS  
MAINTENANCE  
FACILITIES PROJECT**

**Defence Establishment Orchard Hills, New South Wales**

**STATEMENT OF EVIDENCE  
TO THE  
PARLIAMENTARY STANDING COMMITTEE  
ON PUBLIC WORKS**

August 2018

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# Naval Guided Weapons Maintenance Facilities Project

## Need for the Project

### Aim of the Project

1. The Royal Australian Navy's (Navy's) guided weapons (GW) maintenance is undertaken within the Surface Weapons Complex (SWC) at Defence Establishment Orchard Hills (DEOH). The Naval Guided Weapons Sustainment System (NGWSS) has exceeded its design capacity for the maintenance of GW, and these facilities do not have the functionality to support changing maintenance requirements.
2. The aim of the Project is to deliver a new, purpose-built Integrated Weapons Facility (IWF) at DEOH, to increase the maintenance capability and alleviate constraints and deficiencies within the NGWSS. This will enhance and augment the NGWSS, thereby meeting the Australian Defence Force's (ADF's) GW operational and training-related requirements, and provide for the evolution and growth in Navy's current GW inventory.
3. This facility will be a critical ADF asset, enabling the testing and maintenance of GW, to support operations and meet training requirements.

### Location of the Project

4. The Project proposes to construct a new GW maintenance facility at DEOH. DEOH is located approximately 40 km South West of the Sydney Central Business District, near Penrith in the western suburbs of Sydney.
5. A map showing the location of DEOH is at [Attachment 1](#), and a Site Plan depicting the proposed facilities is at [Attachment 2](#).
6. The following facilities are proposed to be delivered under the Project:
  - a. **Integrated Weapons Facility (IWF).** A new IWF is proposed, which will provide working accommodation for 30 staff and include designated areas for the testing and maintenance of GW. A perspective view of the IWF is at [Attachment 3](#), and a Floor Plan is at [Attachment 4](#).

- b. **Civil Works and Supporting Services.** An access road and supporting services will be provided to support the IWF, including pavements, traverses, electrical and hydraulic services (including potable water, water for firefighting purposes, sewerage and stormwater drainage), and communications and security services.

7. DEOH forms part of Defence's explosive ordnance (EO) network, and directly supports the ADF. DEOH is a designated 'enduring' Defence base, and its primary role is the storage and distribution of EO, including GW maintenance.

### **Need for the Project**

8. Defence's GW inventory has evolved significantly since the commissioning of the SWC. This evolution in inventory is forecast to continue, due to modernisation of the individual missile variants in use by Navy. In addition, GW throughput is forecast to increase, with the introduction of new, more capable platforms such as the Air Warfare Destroyers, the Future Frigates and the replacement Submarines.

9. As an output of the 2009 Defence White Paper (DWP), a New Policy Proposal initiative was approved to remediate the single points of failure in the NGWSS, and to provide for growth in Defence's GW inventory. The 2016 DWP reinforced the necessity for GW maintenance, stating that Defence must maintain a technological edge while simplifying maintenance of equipment.

10. Following the 2009 DWP, Defence commissioned a scoping study in order to analyse and define the requirements of the New Policy Proposal. In summary, the recommendations of the scoping study were:

- a. DEOH represents a single point of failure within the NGWSS, with no 'whole of facility' or technical redundancy.
- b. the (existing) SWC is in a state of disrepair.
- c. sections of the SWC are not being used efficiently due to inadequate design, a lack of processing space and poor environmental control.
- d. new test facilities should be constructed to provide efficiencies by increasing overall work-space, provide redundancy, and allow for increased throughput of GW.

11. The combined effect of these factors has resulted in the need to improve and expand GW infrastructure.

## **Proposed Facilities Solution**

### **Scope of Project Works**

12. **Potential Location Options.** A review of the broad siting criteria and an analysis of advantages and disadvantages of various locations was undertaken to identify and shortlist potential sites to accommodate the proposed facilities. In August 2016, after a detailed analysis of the shortlisted sites, DEOH was selected as the preferred location as it best addresses Navy's GW capability requirements.

13. **Siting Options.**

- a. The selection of the site has been undertaken in accordance with Defence's planning policy requirements, as detailed on the Defence Estate Quality Management System (DEQMS). The Site Selection Board considered Defence policy, environment, heritage and operational considerations, and planning guidance as contained in the DEOH master plan.
- b. Defence considered various siting options for the proposed facilities, consistent with planning policy and guided by existing base zone plans. Within the approved site, various layout options have been assessed to ensure that the layout is functional, cost effective, and allows sufficient capacity for future expansion where possible.

14. **Adaptive Reuse and Refurbishment Options.** There is minimal opportunity for adaptive reuse and refurbishment of existing facilities within the SWC, arising from the highly specialised nature of GW maintenance, the licensing requirements and associated safe-guarding arcs required when handling explosive ordnance, and the necessity to meet the Project aim of delivering functional GW maintenance facilities.

15. Defence has undertaken comprehensive master planning, site investigations, stakeholder consultation, whole-of-life cost analysis, and design development to address the Project's needs.

16. The Project proposes to construct an IWF, which will be fit-for-purpose and provide value-for-money. The Project also proposes to deliver associated civil works,

infrastructure, supporting services, and landscaping. The proposed facilities are to be located on a 'green-field' site within DEOH.

17. The proposed IWF will consist of three functional work-spaces:

- a. **Administration Area.** This will provide modern and fit-for-purpose working accommodation for SWC personnel. The Area will be sized to house the working population of the IWF in a fully climate controlled environment. The Administration Area will comprise:
  - (1) working accommodation, comprising a mix of standard offices, open-plan work-stations, and meeting rooms
  - (2) a communications room, to accommodate Defence Information and Communications Technology (ICT) networks
  - (3) ablutions, a kitchenette and lockers for staff amenity.
- b. **Weapon Assembly Rooms.** Two Weapon Assembly Rooms (WARs) are proposed. A WAR is a specialist workshop for the safe handling, inspection and maintenance of GW. Each WAR will be climate-controlled and comprise:
  - (1) a workshop, for the safe handling of GW
  - (2) a covered area for the all-weather receipt and dispatch of GW, and associated equipment and stores
  - (3) plant and storage areas.
- c. **Testing Areas.** Two Test Areas are proposed, one for each WAR. These Test Areas provide for the testing of individual GW, and each Area will comprise the following:
  - (1) **Test Cells.** A reinforced concrete room with an external earth covering.
  - (2) **Test Control Rooms.** A reinforced concrete room, separated from the test cells where staff will control and monitor GW testing activities.
- d. **Civil Works and Supporting Services.** Vehicle and pedestrian pavements will be provided to access the new facilities. Pavement types

are designed for known and approved traffic activities; roads and hardstands rated for large rigid vehicles and material handling equipment, and flexible pavements to areas of light vehicular traffic.

## **Planning and Design Concepts**

18. The design of the proposed facilities provides for the functionality associated with the prescriptive nature of EO licensing, including handling and maintenance. This limits the opportunity to apply aesthetic design concepts.

19. A number of planning concepts have informed facility design. This includes physical layouts to enable work flow and deliver functional efficiency, the necessity for interaction between various elements of guided weapon maintenance, and the safety and security requirements for staff and equipment.

20. The proposed IWF is the only option solution that can deliver all of NGWSS functionality requirements, meets EO safety requirements, and provides the required level of safety and security. The IWF will enable Navy to meet current GW capability requirements. It is a unique facility that has been designed such that it may be re-configured for future GW types. Navy considers the facility will be a critical capability asset.

21. The facilities have been designed to harmonise with existing base typologies and the existing SWC precinct, and the proposed design has considered the performance of materials, equipment, finishes and construction techniques.

## **Relevant Legislation, Codes and Standards**

22. The following legislation, standards, codes and guidelines are applicable:

- a. *Defence Act 1903 (Cth)*
- b. *Native Title Act 1992 (Cth)*
- c. *Disability Discrimination Act 1992 (Cth)*
- d. *Environment Protection and Biodiversity Conservation Act 1999 (Cth)*
- e. *Work Health and Safety Act 2011 (Cth)*
- f. *Building and Construction Industry Improvement Amendment (Transition to Fair Work) Act 2012 (Cth)*



- g. *Work Health and Safety Act 2011 (Cth)*
  - h. *Fair Work (Building Industry) Act 2012 (Cth)*
  - i. Building Code of Australia 2016 (BCA 2016)
  - j. Department of Defence Explosives Publications (DEOPs), specifically DEOP 101 *Department of Defence Explosives Regulations*
  - k. Defence Manual of Fire Protection Engineering (MFPE)
  - l. Defence Manual for Infrastructure Engineering Electrical (MIEE)
  - m. Smart Infrastructure Manual
  - n. Defence Infrastructure Management policies and processes
  - o. Defence Estate Quality Management System.
23. Subject to Parliamentary approval, an accredited Building Certifier will certify the compliance of the design and the compliance of the completed works.

## **Land and Zoning**

24. The proposed facilities are located within Commonwealth Property Boundaries and on Defence-controlled land. No civilian authority design or construction approvals are required, although the design will comply with relevant standards and regulations within the constraints of the EO regulations.
25. No land acquisitions are associated with this proposal.

## **Structure**

26. The design will conform to statutory requirements, including legislation, the Technical Operating Requirements for the GWs, Codes of Practice, the Building Code of Australia, and other Australian Standards applicable to New South Wales (NSW). The design will also conform to Defence standards and guidelines.
27. During the Planning Phase, detailed geotechnical investigations were undertaken at the proposed site to inform the building foundation designs. No significant concerns or issues were identified arising from these investigations.
28. The proposed facility will be a steel-framed structure, with metal sheet wall and roof cladding (for the Administration Area and Weapon Assembly Rooms), combined with reinforced concrete structures (for the Test Areas). Floors are generally traditional

reinforced concrete slabs, finished to a high degree of flatness to enable the safe operation of materials handling equipment.

29. The internal work areas have been designed as clear-span spaces, to provide flexibility and functionality, and to maximise operational efficiency.

## **Mechanical Services**

30. The designed mechanical services installations will conform to the requirements of legislation, Codes of Practice and guidance publications relevant to NSW, in addition to Defence standards and guidelines.

31. The mechanical services proposed comprise a number of discrete systems. Air-conditioning will be provided to the IWF. Industrial gas systems will be provided to support workshop functions, including an argon system.

32. The proposed building services and associated equipment selected have targeted an economic balance between capital cost, operation and maintenance costs. System selection has been based on life-cycle costing analysis, and particular consideration has been given to energy efficient design solutions and natural ventilation.

## **Hydraulic Services**

33. The hydraulic services proposed conform to the requirements of legislation, Codes of Practice and guidance publications relevant to NSW, in addition to Defence standards and guidelines.

34. The hydraulic services works involve a number of systems, including:

- a. sanitary drainage
- b. stormwater drainage
- c. potable cold water
- d. potable hot water
- e. a domestic hot water plant
- f. a rain-water harvesting and re-use
- g. non-potable water
- h. plant, pumps and equipment for hydraulic services.

## **Electrical Services**

35. Two new electrical substations will be provided. They will be connected to the existing DEOH high voltage network, to support the increase in demand associated with the proposed facilities.

36. Lighting, power, lightning protection, building and equipment earthing and fire detection will be provided, in accordance with Australian Standards and to meet Defence's additional requirements associated with EO facilities.

37. Electrical infrastructure and switchboards will have modest spare capacity to allow for limited future growth or demand.

38. Fire detection systems, indication panels, and emergency and exit lighting, will be provided and integrated into the existing DEOH systems.

## **Fire Protection**

39. All construction and fire protection requirements will, as a minimum, be in accordance with the provisions of the BCA, the MFPE, and other applicable codes and standards.

40. The MFPE details Defence fire protection policies for asset protection and building function protection. The MFPE notes that direct attack on a fire within or adjacent to EO storage buildings presents an unacceptable risk to staff and firefighters. Dispensations to the BCA will be sought, to either reduce or omit the provision of fire hydrants and reels to EO storage buildings.

41. A bush-fire assessment has been completed for the site. This assessment will ensure the design achieves the required bush-fire protection, satisfies legislative requirements for the assessment of development in bush-fire prone land, and addresses the assessment and reporting requirements in the MFPE. In addition, the assessment will ensure compliance with Asset Protection Zone building setbacks to bushland, building construction standards for bushfire protection, and fire-fighting access and water supply requirements.

## Security Measures

42. No public access is to be provided to the proposed new facilities, with entry to be controlled through existing controlled access points. The proposed IWF has been designed for the security classification stipulated by Defence.

## Acoustics

43. The proposed facility will comply with relevant acoustics codes and standards, including:

- a. *National Construction Code 2016*
- b. *Defence Construction Security Reference Manual 2nd Edition, 2007 (DCSRM)*
- c. *National Standard for Occupational Noise (NOHSC:1007(2000)*
- d. *National Code of Practice for Noise Management and Protection of Hearing at Work (NOHSc:2009 (2004)*
- e. *AS/NZS ISO 717.1:2004 Acoustics Rating of Sound Insulation in Buildings and of Building Elements – Airborne Sound Insulation*
- f. *Australian Standard AS2021:2015 Acoustics – Aircraft Noise Intrusion – Building Siting and Construction*
- g. *Australian Standard AS2107:2016 Acoustics – Recommended Design Sound Levels and Reverberation Times for Building Interiors*
- h. *Australian Standard AS2670.2:1990 Evaluation of Human Exposure to Whole-Body Vibration – Continuous and Shock-Induced Vibration in Buildings (1-80 kHz)*
- i. *Australian Standard AS2763:1988 Vibration and Shock – Hand-Transmitted Vibration – Guidelines for Measurement and Assessment of Human Exposure.*

44. Noise generated by the air-conditioning and ventilation plant components shall meet AS/NZS 2107:2016 recommended internal design levels, including internal sources and noise ingress from external sources.

45. Vibration isolation of all equipment must comply with recommended vibration levels as set out in AS 2670.2 and AS 2763, and Defence SAFETYMAN.

## **Work Health and Safety**

46. The proposed facilities will comply with the *Work Health and Safety Act 2011*, Work Health and Safety (Commonwealth Employment – National Standards) Regulations, Defence’s Work Health and Safety Policy, and Defence’s Work Health and Safety Manual.

47. The Australian Government is committed to improving work health and safety outcomes in the building and construction industry. In accordance with Section 35(4) of the *Building and Construction Industry Improvement Act 2005*, contractors for the Project will be required to hold full work health and safety accreditation from the Office of the Federal Safety Commissioner, under the Australian Government Building and Construction Work Health and Safety Accreditation Scheme.

48. Safety aspects of the Project have been addressed during the design process and documented in a Safety-in-Design Report completed by each contractor. As the proposed facilities are to be constructed within an operating EO environment, the Head Contractor will be required to agree to an Explosive Ordnance Cooperation, Consultation and Coordination (EO CCC) Plan. This Plan, based on the principle of risk associated with EO activities being ‘so far as reasonably practical’, identifies risks and risk mitigation, and site access and operating protocols during construction.

49. The site will be appropriately secured to prevent public access during the construction period, and the Head Contractor will be required to submit a Work Health and Safety Plan prior to the commencement of any construction activities.

## **Materials and Furnishings**

50. Materials and furnishings will be selected from those readily available locally for their functionality, durability, low maintenance and ecologically sustainable design properties.

## **Landscaping**

51. Landscaping works will restore areas disturbed during construction. Precautions will be taken to avoid compromising existing environmental sensitivities by adopting landscaping practices in keeping with local environmental conditions. Landscaping design will have regard to minimising potable water usage.



## **Any Other Civil Works**

52. The proposed works include pavements for the storage, movement, and handling of GWs. The pavement types have been selected to balance the capital construction cost and on-going maintenance liability. Considerations include climatic and geotechnical conditions, and the types of vehicles and other equipment to be stored and operated on the pavements.

## **Childcare Provisions**

53. There is no requirement for additional childcare facilities as a result of this Project, as there will be no net increase in personnel. Existing childcare facilities are deemed to meet the current needs of the site.

## **Provisions for people with disabilities**

54. Disabled access and facilities will be provided within the IWF, in accordance with the BCA, Australian Standard AS1428 and Defence's Disabled Access and Other Facilities for Disabled Persons policy.

55. A dispensation has been sought for able-bodied access only into the WARs, as Defence EO policy mandates, for safety reasons, a level of physical ability for personnel operating within active EO areas.

## **Environmental Sustainability**

56. The Commonwealth is committed to Ecologically Sustainable Development (ESD) and the reduction of greenhouse gas emissions. Defence reports annually to Parliament on its energy management performance and on its progress in meeting the energy efficiency targets established by the Government as part of its commitment to improve ESD. Defence also implements policies and strategies in energy, water and waste to improve natural resource efficiency and to support its commitment in the reduction of energy consumption, potable water consumption and waste diversion to landfill.

57. This Project has addressed these policies by adopting cost-effective ESD as a key objective in the design development and delivery.

58. The ecologically sustainable development targets and measures for the Project have been balanced with other requirements for Defence buildings, including security,

heritage, and workplace health and safety. This will ensure that, first and foremost, Defence's operational capability is not compromised. Due to the functional and technical nature of the NGWSS and GW maintenance in particular, some requirements will not apply.

59. All relevant building elements included in this Project will be designed, constructed, operated and maintained to ensure they use energy efficiently. To achieve this, as a minimum, the buildings will comply with the following:

- a. Section J of Volume One of the Building Code of Australia, National Construction Code 2016 Energy Efficiency
- b. Part 3.12 of Volume Two of the Building Code of Australia, National Construction Code 2016 Energy Efficiency
- c. Energy Efficiency in Government Operations policy
- d. Defence Building Energy Performance Manual
- e. Defence Waste Minimisation Policy
- f. Defence Water Management Strategy.

60. Energy use will be monitored through building energy meters. Office spaces will have lighting, general power and major switchboards sub-metered and connected to monitoring systems where available, to allow Defence to better manage and monitor environmental performance.

61. Efficient water usage will be encouraged through water saving measures where practical. This may include installation of water 'smart meters' to monitor total water facility consumption, specified appliances and equipment that meet the minimum Water Efficiency Labelling Scheme ratings nominated in the Smart Infrastructure Manual. The design will also consider incorporating water-sensitive urban design practices.

62. The proposed works provide for the demolition of two buildings whose function will be transferred into the IWF or neighbouring facilities within the SWC. The buildings to be demolished are beyond their useful life.

## Potential Impacts

63. Defence has conducted rigorous assessments to identify potential environmental and local community impacts, and propose suitable mitigation measures. These include:

- a. **Visual Impacts.** The proposed location of the IWF and its low profile negates any visual impact. The IWF's lightning protection will be visible at a distance from the boundary of DEOH.
- b. **Noise Impacts.** The proposed design accords Australian standards, mitigating any noise impact.
- c. **Heritage Impacts.** The Heritage Review noted that the proposed works include road access through an area with two known Aboriginal sites and an area of Potential Archaeological Deposit.
  - (1) An Aboriginal Heritage Impact Assessment) was undertaken in consultation with local Aboriginal communities. The Aboriginal Heritage Impact Assessment included a desk-top study, an archaeological visual survey, and archaeological excavation investigations. The investigations identified a total of 34 surface-scatter artefacts and two sub-surface artefacts. Arising from consultation with local Aboriginal communities, these artefacts have been identified as having local cultural value.
  - (2) None of the artefacts are of National heritage significance, and *Environment Protection and Biodiversity Conservation Act 1999 (Cth)* (EPBC Act) referral to the Minister for the proposed works is not required. Archaeological potential for the sub-surface of the site has been assessed as low, based on the test excavation results.
  - (3) As mitigation during construction, specific site induction material will include details relating to Indigenous heritage sites, instructions for 'stop work' orders, and a 'do and do not' checklist. In addition, the surface collection of any artefacts within the area of proposed impact will be undertaken prior to works commencing. The Construction Environmental Management Plan (CEMP) for the Project will include 'chance find' procedures, to mitigate any potential disturbance of as-yet undiscovered Indigenous sites or artefacts.



- d. **Environmental Impact:** Consistent with established Defence policies, Defence engaged a specialist environmental consultant to undertake an Environmental Review of the proposed site.
- (1) The purpose of the Review was to assist Defence in determining whether a more substantive environmental impact assessment is required under the EPBC Act, or whether the Project proceed via the Defence's internal process of Environmental Clearance Certificates.
  - (2) The Environmental Review identified two areas of environmental risk, one related to ecology and the other to Indigenous heritage. Defence has undertaken additional site investigations to quantify the degree to which these two environmental risks may impact the proposed site, and to fully characterise the nature of any impact.
  - (3) The remaining environment and heritage risks identified in the Environmental Review were assessed as minor. These risks will be managed through the preparation of a comprehensive CEMP, an Operational Environmental Management Plan (EM), and implementation of the existing DEOH environmental management frameworks (environmental management system).
  - (4) Based on the outcomes of the Environmental Review, a referral will not be required under the EPBC Act.
- e. **Ecology Impact.** The proposed facility has been sited on a green-field site and consists primarily of grassed land, with corpses of trees and wood-land outside the proposed facilities footprint. The site is gently sloping, with a creek tributary parallel to and outside the proposed facilities footprint.
- (1) The project's ecological consultant assessed the proposed location of the new facilities with relation to nearby endangered ecological communities. The proposed facilities have been sited and designed to avoid to the greatest extent possible those areas where listed species may be present. The overall ecological impact has been assessed as not significant.

- (2) The proposed works include a crossing of a Blaxland Creek tributary, with the potential to impact on the existing ecology of the tributary. The siting of the crossing has been adjusted to reduce the risk.
  - (3) Additional targeted investigations have been undertaken to assess the significance, if any, of the impact of construction on Green-and-Golden Bell-Frog (a vulnerable species) and its habitat. These targeted surveys did not identify the presence of the Frog.
  - (4) Consistent with established Defence policy and procedures, a CEMP will be prepared and an Environmental Certificate of Compliance (ECC) will be issued prior to any construction works commencing.
- f. **Contamination Impacts.** Detailed site investigations for contamination have been completed as part of the Environmental Review. These detailed investigations did not identify contaminated material.
- (1) The site has been previously cleared of unexploded ordnance and the site investigations did not identify any such ordnance. In accordance with Defence standard procedures, the risk of unexploded ordnance will be managed under the Contractor's site safety management plans.
  - (2) There is the possibility that contamination may be identified during construction. The CEMP will include environmental control measures, to ensure that any contaminated material is handled in accordance with relevant legislation, codes and standards.
  - (3) Development of the CEMP will be the contractual responsibility of the Head Contractor. Compliance with the approved CEMP and other site safety plans will be periodically audited throughout construction.
- g. **Traffic, Transportation and Road Impacts.**
- (1) There is limited public transport to DEOH; the service is only offered once in the morning and once in the afternoon. There is a resulting high reliance on the use of private vehicles for transport to and from DEOH.

- (2) Parking for IWF staff and visitors is proposed within the scope to address the lack of public transport.
- h. **Existing Local Facilities.** The Project will not impact on any existing local facilities, as proposed site is isolated in order to meet EO safe-guarding requirements.
- i. **Local Impact on Community, Roads and Traffic Concerns.**
  - (1) The impact on the local community is assessed as positive, particularly for the supply of local services, resources and material during construction. This may include demand for local accommodation, the patronage of cafés and restaurants, and the use of community resources to support the construction work-force.
  - (2) The Project is likely to generate employment opportunities in the local area during the construction phase. Construction will require a diverse range of skilled consultants, contractors and construction workers. This will have flow-on benefits to small and medium businesses in the local community.
  - (3) It is estimated that during the construction peak in early 2019, 150 workers will be on-site, with a commensurate flow into the local community.
  - (4) The potential negatives that may impact on the community are assessed to be during construction, including long lead-times for engaging local trades and procuring construction material supplies.
  - (5) To ensure the local community is aware of the potential impacts of the Project, a series of stakeholder engagement sessions will be conducted prior to commencement of construction. These engagement sessions will comprise of:
    - (a) community stakeholder briefings
    - (b) industry briefings
    - (c) media releases.

- (6) During construction, there will be an increase in the number of large vehicles entering DEOH with construction materials. Construction management controls will be implemented to mitigate the effects of this increased traffic on local road networks. These measures may include the use of dedicated access gates, to minimise delays to traffic using local roads. Large volume deliveries, such as concrete, will be planned to occur outside of peak hours to avoid traffic congestion.
- (7) There will be an increase in the DEOH working population during construction, with a commensurate increase on the local road network. This impact is assessed as minimal, based on the working population of DEOH and its associated traffic load.
- (8) The impact on the local road network after completion of the Project is assessed as negligible, as there will not be an increase in the working population of DEOH.

## **Consultation with Key Stakeholders**

64. Defence has developed a community consultation and communications strategy that recognises the importance of providing local residents and other interested stakeholders an opportunity to provide input into, or raise concerns relating to the proposed works.

65. Defence has and will engage with a variety of internal and external stakeholders during project development and delivery. These include:

- a. Federal Member for Lindsay, Ms Emma Husar MP
- b. State Member for Penrith, Mr Stuart Ayres
- c. Mayor of Penrith City Council, Cr John Thain
- d. Penrith City Council (Environmental Department)
- e. Penrith Valley Chamber of Commerce
- f. Hawkesbury City Chamber of Commerce
- g. Deerubbin Local Aboriginal Land Council
- h. Darug Tribal Aboriginal Corporation

- i. Darug Custodians Aboriginal Corporation
- j. Darug Aboriginal Cultural Heritage Association
- k. Western Sydney Airport
- l. Air Services Australia
- m. Civil Aviation Safety Authority
- n. New South Wales Roads and Maritime Services
- o. Water NSW
- p. Endeavour Energy
- q. local environmental and local interest groups.

## **Cost Effectiveness and Public Value**

### **Project Costs**

66. The estimated total capital out-turned cost of the Project is \$95.5 million (excluding Goods and Services Tax). This includes management and design fees, construction costs, information and communications technology, furniture, fittings, equipment, contingencies and a provision for escalation.

67. The estimated Future Sustainment, Employees and Operating Cost of the proposed facilities is \$3.1 million per year. This cost estimate provides the basis for funding the on-going operation and support services required by this proposal.

### **Project Delivery System**

68. Subject to Parliamentary approval, a Head Contractor (HC-1-2003) form of contract is planned to deliver the works. A Head Contractor will be appointed to procure trade contractors, and manage the construction of the works. A Project Manager and Contract Administrator will be engaged to manage the delivery phase of the works. A Design Services Contractor (DSC-1-2003) was engaged to undertake design for the works.

69. The delivery mechanism for the Project was selected on the basis of the scope, risk of disruption of operational activities at the site location, and the value of the works. Other considerations included interdependencies with concurrent projects, and the capacity of industry at the proposed location.

## **Construction Program**

70. Subject to Parliamentary approval, construction is expected to commence in early 2019 and be completed by mid 2020.

## **Public Value**

71. Defence has comprehensively assessed public value, opportunities and benefit to the community as a result of the proposed works:

- a. **Meeting Capability Needs.** The proposed facilities will contribute to the on-going effectiveness of Australia's Defence capability, by directly supporting operations and training activities.
- b. **Employment Opportunities.** The proposal will employ a diverse range of skilled consultants, contractors and construction workers. The level of industry engagement to deliver the Project will provide opportunities for the up-skilling of industry, and improvement of individual skills and employability on future EO-related projects.
- c. **Economic Impacts.** The proposal will support business in the local Perth area. The potential to utilise local suppliers of construction materials and labour presents an opportunity for the local economy.
- d. **Local Industry and Indigenous Business Involvement Opportunities.** The Project will provide opportunities for local industry and indigenous businesses, based on providing value-for-money to the Commonwealth in accordance with Commonwealth Procurement Rules. Defence will monitor the level of local participation in the Project.

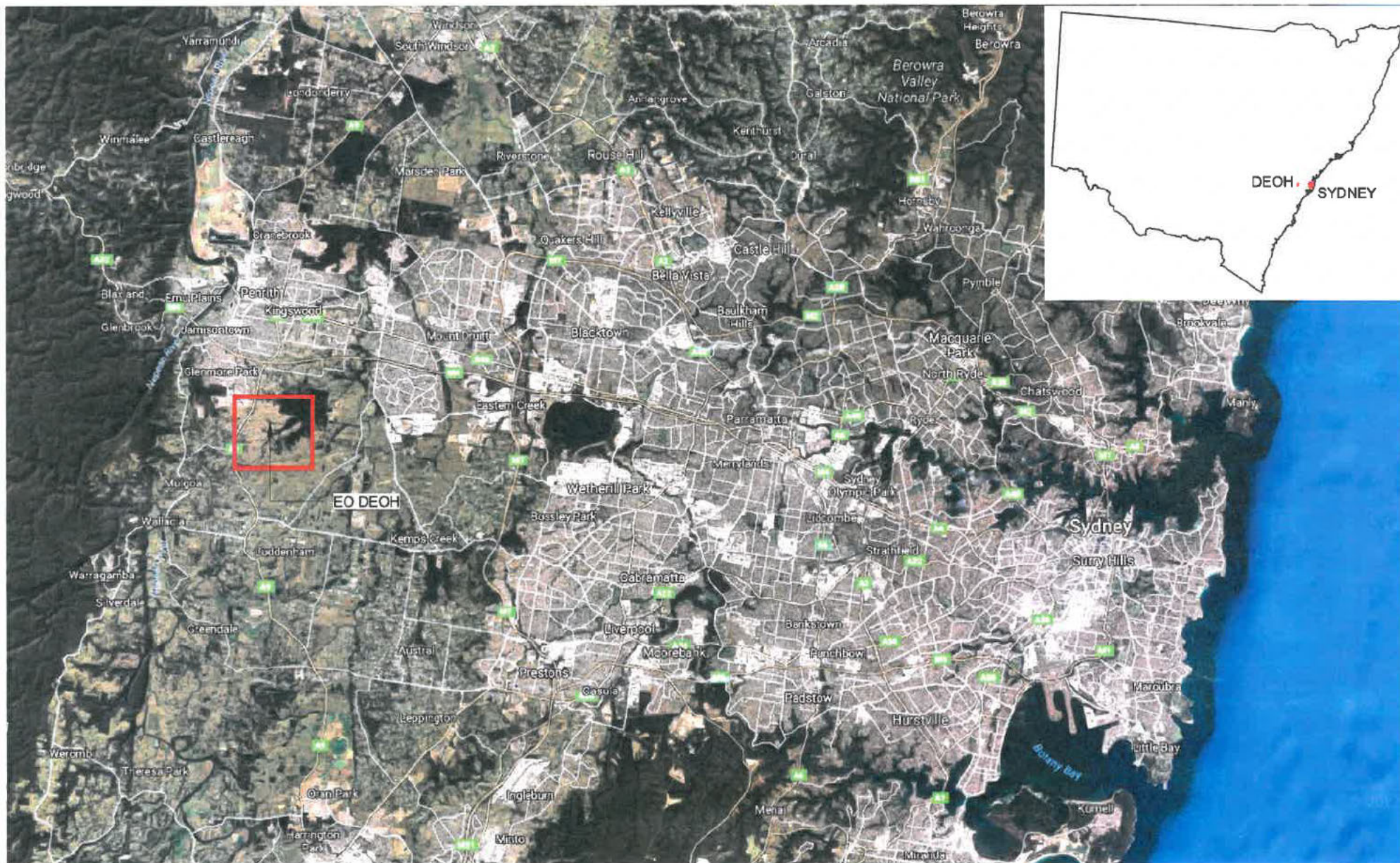
## **Revenue**

72. No revenue is expected to be derived from this Project.

## **Attachments**

1. Location Plan
2. Site Plan
3. Integrated Weapons Facility Perspective View
4. Integrated Weapons Facility Floor Plan

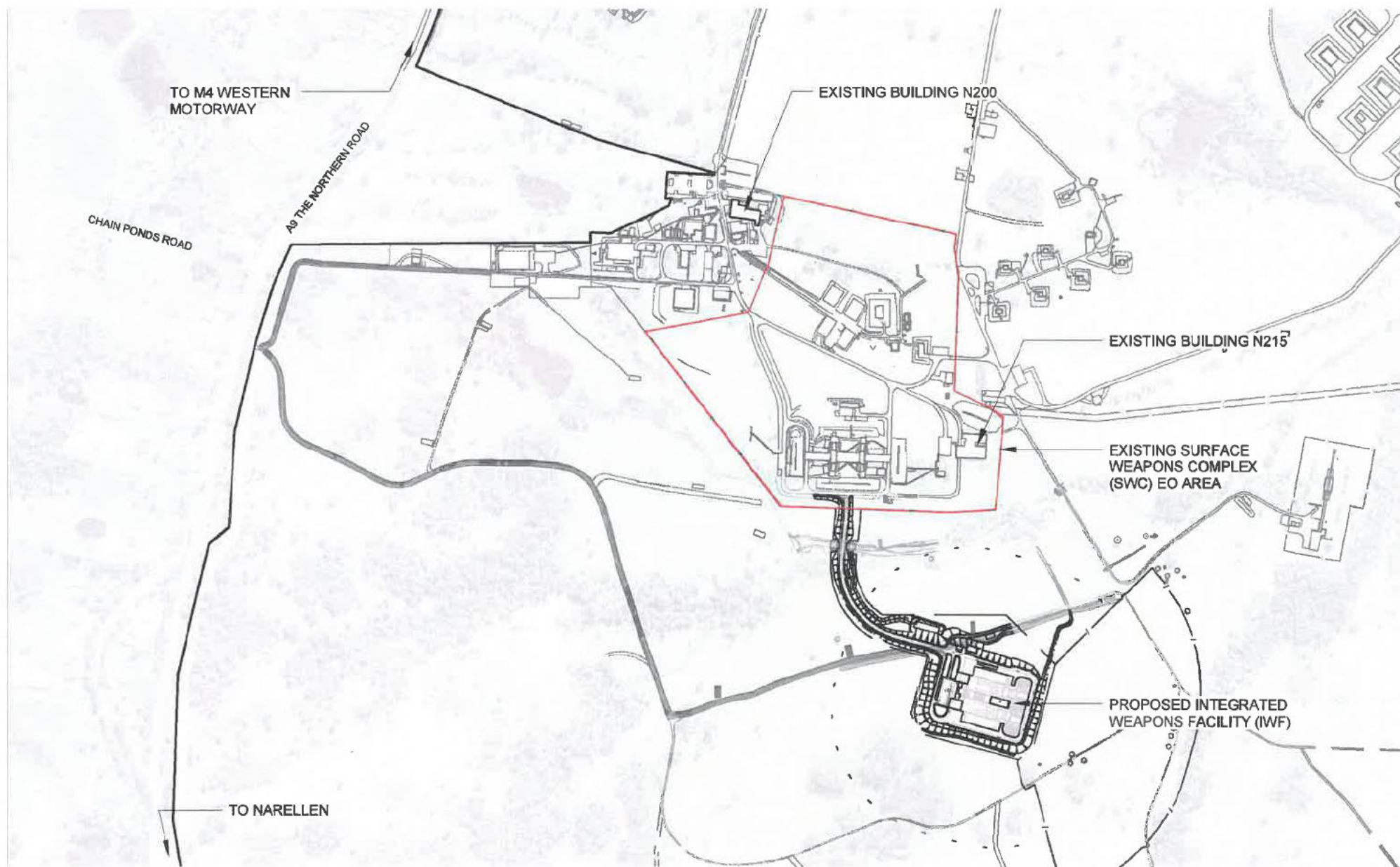




Navy Guided Weapons Maintenance Facility, Penrith NSW  
LOCATION PLAN

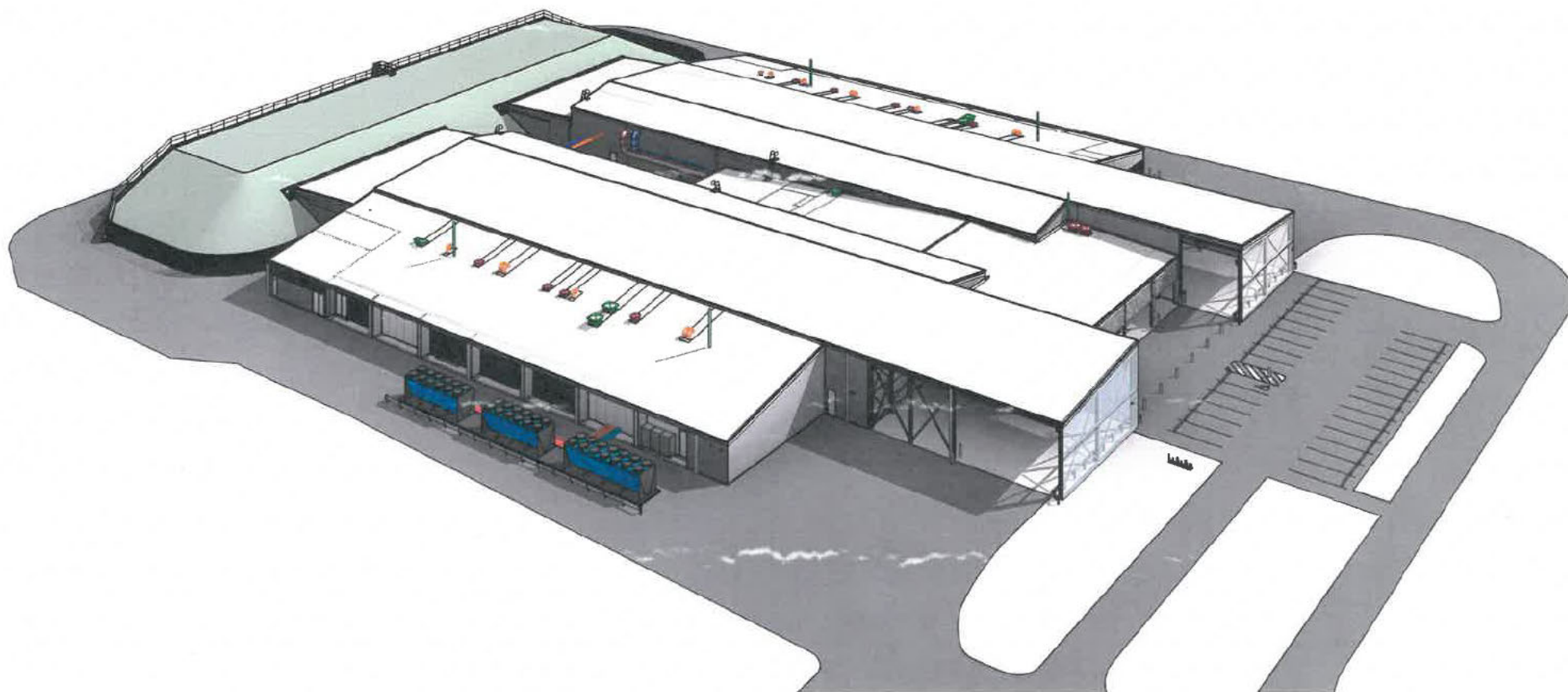






Navy Guided Weapons Maintenance Facility, Penrith NSW  
SITE PLAN





**Naval Guided Weapons Maintenance Facility, Penrith NSW**  
PERSPECTIVE



