

Cost

- 4.1 The cost of the proposed works is \$31.6 million.¹ This includes all design, site establishment and environmental controls, excavation, removal of contaminated material, backfilling and compaction of clean fill, seawall protection and management of groundwater.²
- 4.2 Subject to Federal Parliamentary approval and State Ministerial approval, the works will commence in 2001. The project will be implemented as two managing contractor contracts.
- 4.3 A number of aspects of the cost of the project were raised by the Committee with the Department of Defence (DoD) during the Inquiry process. These included:
- the use of two managing contractors;
 - landscaping;
 - road related costs;
 - section 94 contributions; and
 - foreshore works.

Managing contractors

- 4.4 The proposed works, that is, site filling and soil stabilisation and infrastructure works will be completed by two managing contractors.
- 4.5 At the public hearing the Committee questioned DoD as to the tender process for both the site filling and soil stabilisation and infrastructure
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1 Evidence, p. 10.

2 Evidence, pp. 10-12.

works and whether there would be a saving to the Commonwealth in having a single managing contractor.

- 4.6 DoD advised the Committee that the tendering for the site filling and soil stabilisation was a public tender and openly contestable.³ Further, DoD stated:

It [Thiess] went through the normal Commonwealth tender process, if there is one, of determining the methodology and the selection criteria in advance and matching the submissions against that, and determining the outcome on a value-for-money basis. So that is the way Thiess competitively won the contract. Patterson Britton have been involved in the project since 1996, since we started work, and that was not an open tender. That was, I suppose a select tender from a number of consulting engineering companies, on a basis of a fee proposal and an understanding of a scope of works – in effect, like a tendering situation, except it was not an open tender, it was a select tender. And again, Patterson Britton won it on the basis of value for money.⁴

- 4.7 In respect to whether there would be a saving to the Commonwealth in having a single managing contractor, DoD advised the Committee that:

No, I think they have got different skills. One is a contracting organisation and the other one is a consulting engineering organisation, so they are quite different, but are working quite well together.⁵

Cost of landscaping

- 4.8 The proposed development is intended to include the creation and embellishment of four parks and also part of Tristram Reserve above the north eastern corner of the site. The four parks would be Creek, Broadoak, Naval and River Park.
- 4.9 Broadoak Park is intended to be an open grassed area for general recreation. Creek Park is intended to consist of a rocklined creekline with two broad areas of water.⁶ Various edge treatments are intended to allow for a pedestrian pathway along the creekline. Naval Park will receive a similar treatment.

3 Evidence, p. 15.

4 Evidence, pp. 15 and 16.

5 Evidence, p. 16.

6 Exhibit 3, p. 7.

- 4.10 For the public foreshore along the Parramatta River, the landscaping vision includes a pedestrian / cycleway, upgraded planting, pathways and lighting.⁷
- 4.11 The landscaping works generally include allowances for paving, turfing, shrub and tree planting, furniture, lighting, irrigation and boardwalks.⁸
- 4.12 At the public hearing the Committee questioned DoD as to the value of spending Commonwealth money on landscaping. DoD advised the Committee:

It is integral to the marketing of the site. It is an absolutely fundamental part. Landscaping arguably is more important than the roads. It is the urban amenity that is going to create this new suburb at the end of the day. So, yes it is a very viable part of the project, without which the community do not get the assurance that what we say we are going to deliver is what we are going to deliver. So, it is important from that process.⁹

Road related costs

- 4.13 One of the principal infrastructure cost items of the development is roads. The proposed development envisages a hierarchy of generally three road types consisting of a main access road (Central Avenue), secondary roads and link roads.¹⁰
- 4.14 The proposed main access road of the development, Central Avenue, is intended to be a fully constructed carriageway, kerb and gutter, pipe drainage, lighting, footpath, turf, trees, paving and all services along the road.¹¹
- 4.15 Proposed works for the secondary and link roads to the development would include carriageway, kerb and gutter, pipe drainage and all other services along the roads.¹²
- 4.16 External road works are intended to include:
- reconstruction of Spurway Street from the main entry to the site;

7 Exhibit 3, p. 7.

8 Exhibit 3, p. 7.

9 Evidence, p. 16.

10 Exhibit 3, p. 3.

11 Exhibit 3, p. 3.

12 Exhibit 3, p. 3.

- half road construction of Spurway Street from Central Avenue to the intersection with Boronia Street (to the north of the site);
- roundabout at the intersection of Spurway and Boronia Streets to allow ready access to and from the development; and
- access road to the site from Silverwater Road with left in and out access.¹³

4.17 The issue of proposed external road works, and particularly who would pay for them, was an issue of importance to the Committee and many of the witnesses at the public hearing. Of major concern to the residents of the Ermington area was difficulties with the intersection of Spurway Street and Victoria Road.¹⁴ DoD advised the Committee that:

In regard to traffic, the traffic has been a problem, as we mentioned this morning – particularly the turn – off from Spurway Street into Victoria Road. But it has been a problem—probably long before my time—for many, many years. Again I do not think it is Defence's responsibility, although we are requested to do this on many sites around Sydney, to fix a problem that is pre-existing and that will not be aggravated a great deal more by this development.¹⁵

4.18 At the public hearing, the Lord Mayor of Parramatta City Council advised the Committee that one of the difficulties with the intersection of Spurway Street and Victoria Road is that Victoria Road is a Roads and Traffic Authority controlled road but Spurway Street is a council controlled road. When questioned by the Committee whether the Council hoped that the proposed development might act as a further assistance to the Council in getting something done about the intersection, the Lord Mayor stated:

Yes, we would hope so, Madam Chair. Also we think that it will be exacerbated, and that is one of our major concerns in the matter.¹⁶

4.19 It is been a matter of long standing concern for the Committee that DoD may be pressured by local councils and / or State governments to fix pre-existing road and infrastructure problems in order to obtain approvals associated with a development. It is the strongly held view of the Committee that DoD and through them the Commonwealth and the Australian taxpayer should not bear responsibility for remedying

13 Exhibit 3, p. 3.

14 See for example: Evidence, pp. 29, 41 and 48.

15 Evidence, p. 63.

16 Evidence, p. 30.

problems which either were, or currently are, the responsibility of local or State governments.

Section 94 contributions

4.20 Under section 94 of the New South Wales *Environmental Planning and Assessment Act 1979* contributions to local councils are required for the provision of community facilities associated with the demand generated by a development. The facilities include open space, community youth centres, libraries, health care centres, halls and administration of these facilities. The proposed conceptual development plan for the site of the proposed development incorporates 550 dwellings, while the Master Plan allows up to 700 dwellings. Based on 550 dwellings, the section 94 contribution required for the proposed development is estimated to be approximately \$2.2 million.¹⁷

4.21 A number of questions relating to section 94 contributions were asked by the Committee at the public hearing, including:

- Are the section 94 contributions relating to the proposed development clear cut, well understood and is there no risk of that changing?¹⁸ – DoD advised the Committee that:

In terms of the formulation and the calculation, that is true, but in any development where there is provision of facilities the same as related in the section 94 plan, there is some negotiation about credits. And in terms of my comment earlier, it was really about that credit and how far that went.¹⁹

- Are there any definite goals in future development by the Parramatta City Council to spend this section 94 contribution in immediate areas?²⁰ Parramatta City Council advised:

There has to be a nexus between the expenditure and the raising of the funds. We cannot take funds raised on this site and spend them in North Parramatta. There must be a nexus. Having said that, our section 94 plans are worked out some five to six years in advance. ... What I can say to you is we are obliged to carry out works with those fundings that have an established nexus to the

17 Exhibit 3, p. 8.

18 Evidence, p. 24.

19 Evidence, p. 24.

20 Evidence, p. 29.

development from which they are raised, not necessarily adjoining but certainly showing that nexus.²¹

Foreshore works

4.22 The existing seawall along the Parramatta River foreshore is in a dilapidated state and the Committee observed during its inspection that it has failed in a number of locations. The proposed works include the construction of a new rock wall over the existing wall with the intention of providing a stable shoreline. DoD advised the Committee that the preliminary design details for the rock wall have been confirmed by the New South Wales Waterways Authority.²² The foreshore also contains a dilapidated wharf which will be removed prior to the construction of the seawall.

4.23 At the public hearing, when asked by the Committee whether a costing was undertaken in relation to rebuilding the wharf as a future amenity for the proposed development, DoD advised:

Yes, there were a number of options examined. There are a number of constraints in terms of water usage in the area, and I am talking about recreational craft usage on the river. There is the ferry which runs along the river, and there are concerns in terms of safety for navigation of that craft. Going west from Silverwater Bridge, the ferry slows down considerably; coming east of Silverwater Bridge is its acceleration area where it gains its top speed of 30 knots. That was one concern. The other concern was water depths – being able to establish a wharf or a jetty close to the shoreline without impinging upon navigation, but giving adequate water depths for various recreational craft to use the facility. And because of the very shallow slopes, it means we have to go out a fair way with our structure to establish a mooring or a set down point. In the end, what was considered the best compromise was a boat skid, for use by small craft - row craft or canoes – which would enable access from the foreshore down into the water.²³

4.24 The Committee also questioned the cost of the seawall, particularly whether it was fair that DoD should bear the full cost of repairs. DoD advised the Committee:

21 Evidence, p. 30.

22 Exhibit 3, p. 6.

23 Evidence, p. 17.

In the case of the seawall, we did not build the seawall; it was there long before Defence came – it was built back in 1923. So, although Defence has had the benefit of it over those years, I do not believe that Defence should bear the full cost. So we have been to the council quite openly and collaboratively with the New South Wales Waterways Authority – it is going to have a considerable benefit, a marketing benefit to the site. So it is only fair, I believe, that Defence should contribute to it, but not pay all of it.²⁴

4.25 At the public hearing the Committee questioned Parramatta City Council regarding its responsibility for the construction of the seawall. Parramatta City Council advised the Committee that no council has responsibility for seawalls and sees no good reason why it should be requested to contribute to the construction of the seawall.²⁵

4.26 When questioned further by the Committee at the public hearing about who would pay for the construction of the seawall, DoD advised:

Defence has offered to contribute 50 per cent of the cost of the seawall, which is on land that it does not own. It is owned by the New South Wales Waterways Authority. The Waterways Authority have come from a position of not contributing to contributing 30 per cent, and it is my understanding that they were going to seek the extra 20 per cent from Parramatta Council. Defence has got its offer on the table and we have got to take that forward, and the way we have been working with Parramatta Council, we have got the relationship that will enable that to happen, so I cannot guarantee the outcome but that is where it stands at the moment.²⁶

24 Evidence, p. 19.

25 Evidence, p. 29.

26 Evidence, p. 65.

