

14 October 2019

Mr Luke Drury
Section Manager
Water Services and Design
Central Coast Council
PO Box 20, Wyong NSW 2259



Dear Luke,

Re: Changes to Central Coast Council Development Servicing Plans

The Urban Development Institute of Australia (UDIA) NSW appreciates the opportunity to offer comment on the draft 'Changes to Central Coast Council Development Servicing Plans' currently on exhibition. UDIA NSW is the key industry body representing the leading participants in the urban development sector in New South Wales, with over 500 member companies. Our Central Coast Chapter is comprised of the full spectrum of the development industry in the region including developers, architects, planners, civil construction, ecologists and others, and we are proud to count Central Coast Council as a valued member of the organisation. UDIA NSW appreciates the open and engaging relationship between our organisations.

UDIA NSW is pleased that Central Coast Council has undertaken review of the water supply and sewerage Development Servicing Plan's (DSP's) as required by the NSW Independent Pricing and Regulatory Tribunal. The continual review and transparency of the Central Coast Council DSP's provides a level of surety for the industry which, in turn, will encourage further investment in the Central Coast and assist in achieving the goals set out in the Regional Plan.

UDIA NSW is pleased and generally supportive of the outcomes of the changes to the Central Coast Council DSP's. However, whilst we acknowledge the obvious efforts of Central Coast Council in compiling the draft DSP's, we are compelled to note several areas where we believe further work is required.

Accordingly, UDIA NSW makes the following recommendations for consideration and implementation into the DSP's:

1. A lineal meter rate is provided within Appendix H of the Northern Region DSP and Appendix I of the Southern Region DSP for the directional drill of a rising main and a rate is provided for the underbore of a rising main, gravity sewer main or water main to allow flexibility during construction and mitigate circumstances where site constraints dictate the construction methodology and prohibit the type of works proposed in the DSP. As rates for directional drilling and underboring rely on length rather than depth, we recommend the rates are considered based on incremental lengths, i.e. 0-20m, 21-50m, 50-100m and 100m plus. We believe that, moving forward, there will be an increasing need for different construction methodology to be utilised in order to address site constraints (e.g. ecology), which previously may not have been an impediment to development. The inclusion of these additional construction methods and adopted rates, would provide certainty (to both Council and the development industry) that the value of works included in the DSP are reflective of the costs to construct.
2. Often, Sewer Pump Stations (SPS) are designed to service the ultimate catchment and accordingly, operate inefficiently in the early stages, this in-turn leads to a requirement for odour dosing to be done until sufficient flows are passed into the SPS. This is common for the majority of SPS's delivered in the LGA and associated

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costs can be factored into the DSP and/or Council's ongoing operating and maintenance budgets. The current position of Council, in which it makes the lead developer pay these costs, is inequitable and differs to the position adopted by other Water Authorities e.g. Hunter Water Corporation. Accordingly, we recommend that the sewerage capital works summary, and hence the DSP contributions, make allowance for odour prevention at proposed SPS's and suggest an average odour dosing period of three (3) years be adopted for all SPS's.

3. The timing of proposed infrastructure outlined in Appendix E of the Northern Region DSP and Appendix D of the Southern Region DSP in some cases is different to that expected by the development industry and, in some cases (i.e. WWPS 1 WELOG), the timing associated with the rising main is different to that of the associated SPS (i.e. CH32). We seek clarification as to if the timing within the Appendices will affect DSP credits received by developers if key infrastructure is delivered ahead of schedule.
4. Council updates the DSP's as part of IPART NSW requirements, we suggest further updates are done in conjunction with major milestones, for example, the gazettal of a rezoning. This process would ensure that the servicing strategy in the DSP (which is adopted prior to rezoning) is still able to be delivered, in terms of both location, scope, time and costs, thereby providing a higher degree of certainty to both Council and the development industry. Due to the limited number of rezonings gazetted in the LGA each year, it is unlikely this would be an onerous process and could occur in conjunction with contributions planning.
5. Large scale developments (including new release areas) often involve multiple landowners. These owners may have differing objectives in relation to development timing. Negotiation with multiple landowners in relation to construction of key infrastructure can be an extended process, with limited certainty of an agreement. Where landowner disputes are preventing growth, UDIA encourages Central Coast Council to demonstrate leadership through the Infrastructure SEPP to unlock development. This will ensure that Council and the community see a return on the investment made in planning/rezoning the area.
6. To assist the development industry in delivering Council's commitments to areas when they are rezoned/planned, Central Coast Council should implement a Growth Funding Program, similar to that recently implemented by Hunter Water Corporation (HWC) and that which Sydney Water Corporation (SWC) have been using for a number of years. The Growth Funding Program has led to record numbers of connections of the last two (2) financial years in HWC's servicing catchment and lead to overall growth and confidence in the Hunter region. The Growth Funding Program would be more efficient and provide more flexibility than Council's current WIKA process, while ensuring that both Council and the developer have certainty in regards to timing of works and payments.
7. Central Coast Council have been making funding applications to enable the design and construction of key infrastructure to encourage development on the Central Coast. UDIA NSW encourages Central Coast Council to further continue this work on behalf of the industry.

CONCLUSION

While the exhibited draft DSP provides a sound base and is generally supported, UDIA NSW and its members see the above recommendations as potential to improve the document and provide further confidence to both Council and the development industry. We would be pleased to meet with Council staff to discuss in greater detail where these opportunities exist.

UDIA NSW would like to thank Council for the opportunity to engage and comment on these issues. Should you have any questions or wish to schedule a meeting for further discussion, please contact our Central Coast Regional Manager, Elizabeth York on 0434 914 901, or eyork@udiansw.com.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Steve Mann', with a stylized flourish at the end.

Steve Mann
Chief Executive