



Preliminary Environmental Assessment



NEW INDUSTRIAL FACILITY

FOR

SANDVIK AUSTRALIA

AT

606 & 608 TOMAGO ROAD, TOMAGO
N.S.W, AUSTRALIA

SEPTEMBER 2006

Executive Summary

This preliminary assessment has been prepared with the intent of providing detailed information to the Director General of the Department of Planning to allow for the formal requirements for the Environmental Assessment of the project to be issued.

Specifically this preliminary assessment furnishes the Director General of the Department of Planning with the following information: -

- A detailed description of the project, including the various elements of the project, a preliminary site plan;
- A site and locality assessment describing the site and the project in the context of its immediate environment as well as local and regional factors which are considered relevant to the project. This includes local and regional context plans;
- An analysis of the project in terms of its statutory context, outlining the relevant planning provisions which apply to the site and the project. This includes a discussion of the project in the context of Part 3A of the *Environmental Planning and Assessment Act, 1979*; and State Environmental Planning Policy – Major Projects.
- An environmental risk analysis identifying relevant issues to the project and establishing an appropriate methodology for assessing and addressing such issues during the Environmental Assessment process; and
- The outcome of any initial stakeholder consultation.

The above information can be summarised into the following key points: -

- It is intended to gain **full approval** for the project;
- The proposed project is to have a construction value of **\$33 million** and employ in excess of **300 full time employees**. On this basis the project is, in accordance with Schedule 1 of *SEPP Major Projects*, classified under **other manufacturing industries**;

- The site, Lots 1 & 2, DP 808004, Tomago Road, Tomago, forms part of a large tract of land zoned for industrial purposes. The site is adjoined by developments of a similar or larger scale to that proposed;
- It is felt that the proposed location for the project is justified;
- The site is located in the 4(A) General Industrial Zone, under the Port Stephens Local Environmental Plan, 2000. The project is **permitted** with consent in accordance the Port Stephens LEP, 2000;
- The project is **not prohibited** by any Environmental Planning Instrument.
- The key environmental considerations, identified in the risk analysis, are as follows: -
 - Ecological Considerations, in particular the possibility of core Koala Habitat, and the possibility of the site containing an endangered ecological community;
 - Waste Management (effluent disposal)
 - Traffic and Transport; and
 - Water Quality (flows to wetland areas).
- The key stakeholders likely to require consultation in the Environmental Assessment process include: -
 - Port Stephens Council;
 - The Department of Environment and Conservation;
 - The Roads and Traffic Authority;
 - The Department of Planning; and
 - The Tomago residential and business community.

It is considered that the information contained in the following preliminary assessment of the project will enable the Director General's Requirements to be issued and the subsequent Environmental Assessment of the project be undertaken.

1. Introduction

Sandvik are multinational high technology engineering group who seek to consolidate their current operations over a number of sites within the Lower Hunter to the one site known as Lots 1 & 2, DP 808004, Tomago Road, Tomago. The proposed development will result in the establishment of a centralised location for all of Sandvik's Hunter Valley operations. This will result in the most efficient outcome for of Sandvik's business operations as well as establishing an efficient use of land through minimising diseconomies associated with their current fragmented operations.

The final outcome of this process will be the co-location of the following Sandvik operations: -

- Mining equipment manufacturing, maintenance and storage;
- Mining machinery manufacturing, maintenance and storage;
- Machinery and equipment testing;
- Corporate operations; and
- Training facilities to service Sandvik's Australia wide operations.

The proposed development has been considered by the Director General of the New South Wales Department of Planning (DoP), on behalf of the Minister for Planning, to be a Major Project in accordance with Schedule 1, Group 4, Section 11 of *State Environmental Planning Policy (SEPP) (Major Projects) 2005*. As a result of this resolution, Part 3A of the Environmental Planning and Assessment Act, 1979 (EP & A Act) applies to the development.

The proposed development represents a **\$33 million investment by Sandvik** and confirms their commitment to servicing the mining industry in the Hunter Region and Australia. The proposed development is seen by Sandvik as a stepping stone to their ongoing expansion into servicing the Australian mining industry. Approval of the proposed development will result in the employment of over **300 full time staff**.

This report seeks to provide a preliminary overview of the proposed development in terms of built form, function and operational details. This information will then be considered in the context of opportunities and constraints, at local and regional scales, to assist in the formulation of a preliminary environmental risk analysis for the site. This analysis will flag all relevant issues associated with the proposed development and establish a level of significance and table how such issues might be considered as part of a comprehensive environmental assessment of the development and surrounds. Also outlined in this report are the relevant assessment manuals which will guide the environmental assessment process.

This preliminary assessment also constitutes a formal request to the Department of Planning for the environmental assessment requirements and has been prepared with full consideration to following: -

- Part 3A of the EP & A Act, 1979;
- Part 1A of the EP & A Regulation 2000;
- *Steps in the Assessment and Approval of Major Projects under Part 3A* issued by DoP in July 2005; and
- *Preliminary Assessment for Major Projects* issued by DoP in August 2005.

In accordance with *Steps in the Assessment and Approval of Major Projects* guideline, this report comprises an overview of the project and preliminary environmental assessment and specifically includes the following: -

- A detailed description of the proposed development;
- A locality plan identifying the site;
- The capital investment value of the development for determining that Part 3A applies;
- Description and consideration of the statutory planning provisions applying to the site and development;
- A summary of other approvals required;



- Justification for the development to be considered a project to which Part 3A of the EP & A Act applies; and
- A preliminary assessment identifying the likely environmental issues associated with establishing the proposed development.

2. SITE & LOCALITY DESCRIPTION

2.1 Locality Description

The subject land, described as Lots 1 & 2, DP 808004 is located on Tomago Road, Tomago approximately 5 kilometres eastward from the juncture of Tomago Road with the Pacific Highway (Federal Road). The site has an area of 11.6 hectares. The site sits comfortably within a large area of land zoned for industrial development (4(a) Industrial General), which currently accommodates a large range of regionally significant, employment generating, industrial developments including: -

- Tomago Aluminium Smelter;
- Williams River Steel; and
- Hunter Galvanising

The proximity of industrial land at Tomago to key regional infrastructure such as the Pacific Highway, the New England Highway, the State Rail Network, and the Port of Newcastle make it strategically ideal for accommodating major projects such as that proposed. Similarly the proximity of Tomago to the primary resource locality of the Upper Hunter Coal Mines again presents a number of strategic benefits for a mining service company such as Sandvik.

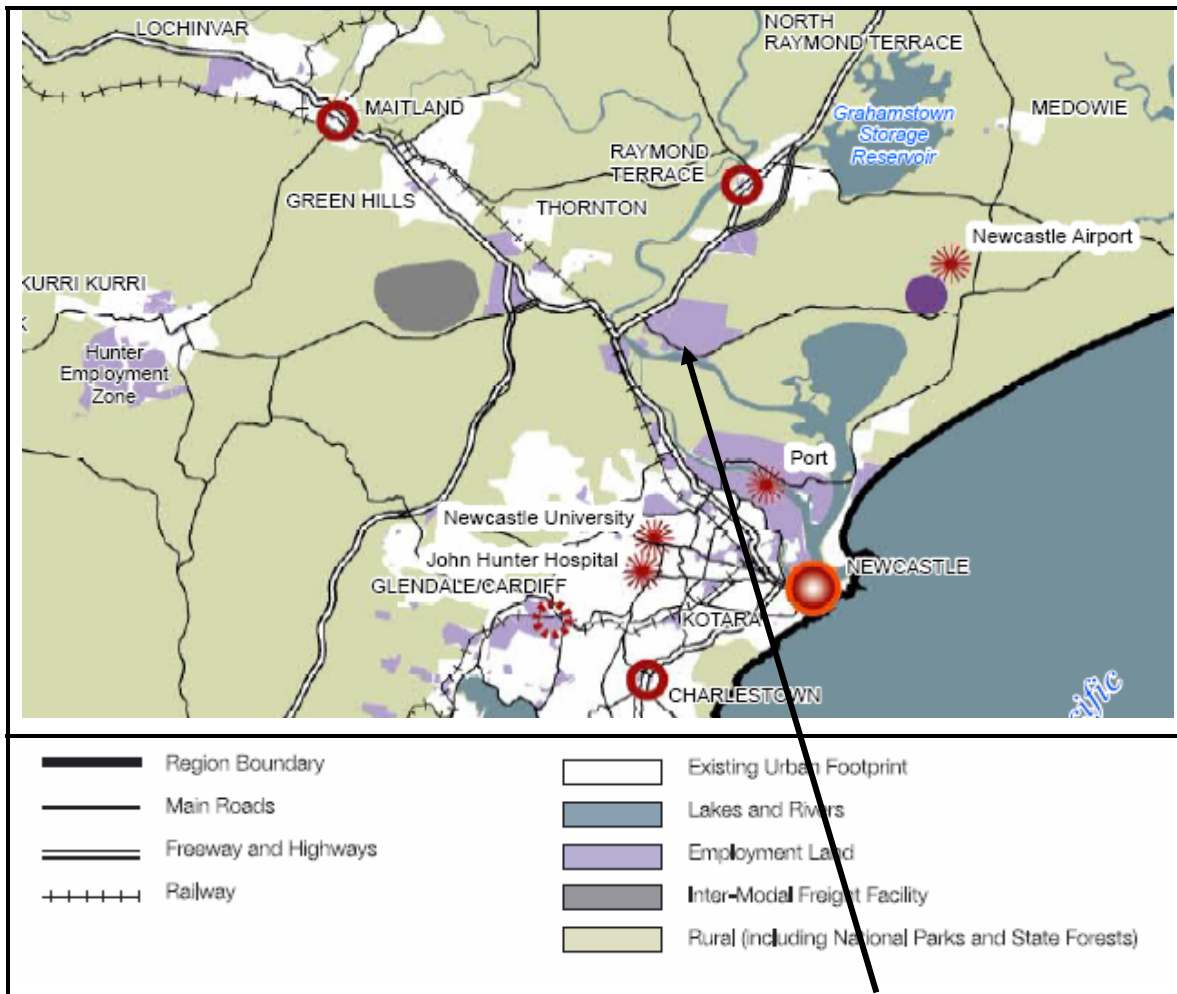


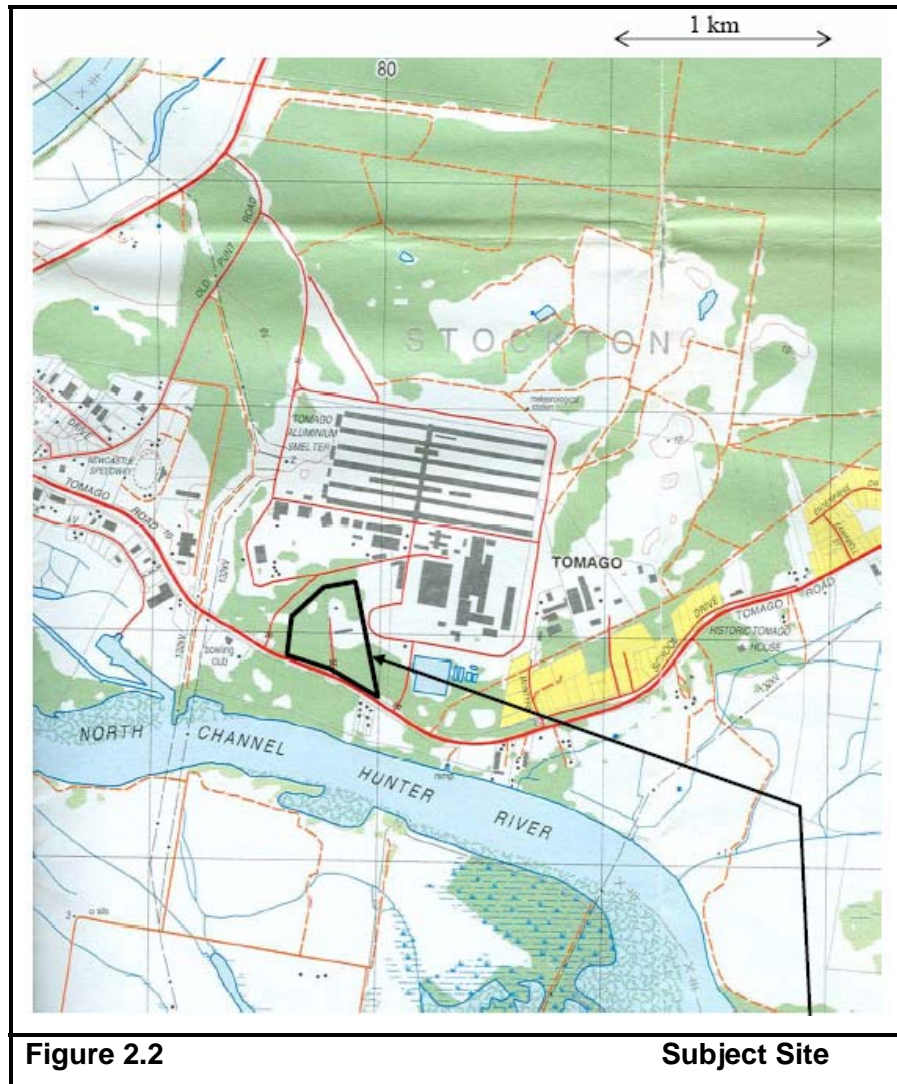
Figure 2.1 Regional Context Plan

Subject Land

Source: - DoP – Draft Lower Hunter Regional Strategy, 2005

Industrial land at Tomago is also in the commuter shed of existing residential areas and new urban release areas of Newcastle, Raymond Terrace, Maitland, Thornton North, Cessnock, and Lake Macquarie. It is anticipated that Sandvik will draw on employees who currently reside in the aforementioned localities.

Figure 2.2 demonstrates the location of the site in relation to the surrounding area: -



2.2 Site Description

The subject land currently houses an established chemical packaging company, Australchem who occupy a small part of the site. A site of 11.6 hectares is superfluous to their current and future operational requirements. Continued occupation by Australchem represents an inefficient use of the subject land.

Figure 2.3 includes a recent aerial photograph of the site.



The key features of this site include: -

- Cleared area in the centre of the site which contain buildings associated with Australchem's current operations;
- Road frontage to Tomago Road;
- A mixed vegetation composition of forest, low lying swamp land, and grasslands;
- and
- Access tracks and fencing.

The Hunter River is located to the south of Tomago Road, approximately 300 metres from the southern boundary. Land owned by Tomago Aluminium Smelter is found immediately to the north.



2.3 Site History

The subject land is currently occupied by Australchem. It is likely that the site formed part of a larger pastoral holding prior to rezoning for industrial development.

There is a possibility of contamination over parts of the site given the nature of the current use.

No geotechnical or contamination assessment has been undertaken to date, however it is anticipated that a *Stage 1* assessment in accordance with *State Environmental Planning Policy No. 55* is warranted as part of the Environmental Assessment. It is however, envisaged that any contamination would be isolated and present minimal risk. With appropriate management and / or remediation it is not anticipated that site contamination would precluded or hinder industrial development of the subject site such as that proposed.

3. PROPOSAL DESCRIPTION & JUSTIFICATION

3.1 Proposal Description

Sandvik are a multinational organisation who have a primary focus of material technology application in the mining industry and globally have established a significant market share in three (3) core areas: -

- Cemented – carbide and high – speed steel tools for metal working applications and components made of cemented carbide and other hard materials;
- Machinery, equipment and tools for rock excavation; and
- Stainless and high – alloy steels, special metals, resistance materials and process systems.

Proposed activities associated with the subject development will be based around the manufacture, repair and maintenance within the above three (3) core areas, however, the overall operation of the site is best described in the following four (4) areas: -

- **Production and Manufacturing**

A designated production building is proposed where new products are to be manufactured on site. Products will include underground mining machinery, drilling and cutting tips and oversize drill bits.

- **Aftermarket Maintenance and Repair**

Aftermarket activities will typically involve the maintenance and repair of underground mining equipment including machinery and conveyor systems. All maintenance and repair work will be undertaken internally or within designated hard stand areas.

A machinery testing area is to be provided to ensure that machinery repairs have been carried out successfully prior to the return of the machinery to operation.

- **Material Storage**

The store building will be the designated area for all deliveries within the site and as such, is located adjacent to the main entrance to limit truck movements through the remainder of the site.

This building will typically store materials and surplus equipment required in the manufacturing and maintenance of machinery and equipment.

- **Management, Administration and Training**

The office building will serve as the national headquarters for the Sandvik company and will contain general office, executive management, boardrooms and training facilities.

A specialised training facility is to be established to service all employee and apprentice training needs for Sandviks Australian operations.

A preliminary site plan is attached for consideration. Figure 3.1 shows an example of Sandvik machinery which will be manufactured and serviced on site.



Figure 3.1 – Sandvik Machinery

3.3 Key Project Features

A summary of the key features of the site and proposal giving approximate areas and details are tabled below:

Table 3.1 – Key Project Features

Capital Cost	<ul style="list-style-type: none"> \$ 33 million
Employment	<ul style="list-style-type: none"> Up to 80 during construction 300 following completion of development Up to 400 at full operation
Site Area	<ul style="list-style-type: none"> 11.648 Hectares
Building Footprint	<ul style="list-style-type: none"> 2.771 Hectares
Development Composition	<ul style="list-style-type: none"> Production & Manufacturing: - 7,878 m² Aftermarket Maintenance: - 10,174 m² Fabrication Workshop: - 1,064 m² Washbay:- 430 m² Material and Equipment Storage 4,294 m² Training, Office & Amenities 2,330 m² Total Building Footprint: - 27,710 m² Pavements & Road Base 5.49 hectares Landscaping 3.38 hectares
Car Parking	<ul style="list-style-type: none"> 404 spaces
Vehicular Movements (daily)	<ul style="list-style-type: none"> Peak hour flow : 350 vehicles Heavy Vehicle movements: 20 Semi Trailer / 40 small rigid
Over mass vehicles	<ul style="list-style-type: none"> 5 to 6 Vehicles per annum
Hours of operation	<ul style="list-style-type: none"> 6:00am – 12:00 midnight, seven days per week Shift 1 – 6:00am – 3:00pm (360 staff) Shift 2 - 3:00pm – 12:00 midnight (40 staff)
Site Access	<ul style="list-style-type: none"> Tomago Road
Environmental Features	<ul style="list-style-type: none"> Retention of Wetland Area in south eastern corner
Effluent Disposal	<ul style="list-style-type: none"> Land at Tomago is currently unsewered. A package treatment plant is proposed to ensure that all waste water is appropriately dealt with on site.
Available Services	<ul style="list-style-type: none"> Water, Electricity, Gas, Telstra.

3.3 Project Justification

The proposed development will: -

- Provide an efficient and ***on going service*** to the mining industry of NSW and Australia;
- The facility will employ between ***300 and 400 residents*** of the Lower Hunter, many of which are already employed by Sandvik, as well as 80 full time employees during the construction period;
- Development is to be undertaken upon a site which is currently utilised for industrial purposes;
- The site has excellent ***locational and strategic characteristics***;
- The site is capable of being ***fully serviced*** to the needs of Sandvik;
- The development is capable of operating with ***minimal environmental disturbances*** external to the site; and
- Preliminary investigations suggest that constraints to development can be appropriately addressed (subject to further investigations);
- Approval of the subject development will have ***significant state wide benefits***.

On this basis it is considered that there should be no objection to the proposal proceeding to the preparation of a full environmental assessment.

4. STATUTORY REQUIREMENTS

The proposed development requires planning approval in accordance with NSW planning legislation and supporting policy framework. The *Environmental Planning and Assessment Act, 1979* is seen as the primary piece of legislation governing the assessment and determination of the subject application. The assessment and approvals process requires consideration of any applicable State Environmental Planning Policy (SEPP), Regional Environmental Plan (REP) or Local Environmental Plan (LEP). The proposal also requires consideration in the context of other Commonwealth and State legislation including: -

- *The Commonwealth Environment Protection and Biodiversity Conservation Act, 1999 (EPBC Act);*
- *Threatened Species Conservation Act, 1995*
- *The Roads Act, 1993*
- *Protection of the Environment Operations Act, 1997*
- *Dangerous Goods Act 1974*

In accordance with Section 75U of the EP & A Act, 1979, the permits listed below required under the following legislation **do not** apply to the project: -

- the concurrence under Part 3 of the *Coastal Protection Act, 1979* of the Minister administering that Part of the Act,
- a permit under section 201, 205 or 219 of the *Fisheries Management Act, 1994*;
- an approval under Part 4, or an excavation permit under section 139, of the *Heritage Act, 1977*;
- a permit under section 87 or a consent under section 90 of the *National Parks and Wildlife Act, 1974*;
- an authorisation referred to in section 12 of the *Native Vegetation Act, 2003* (or under any Act to be repealed by that Act) to clear native vegetation;
- a permit under Part 3A of the *Rivers and Foreshores Improvement Act 1948*;

- a bush fire safety authority under section 100B of the *Rural Fires Act, 1997*; and
- a water use approval under section 89, a water management work approval under section 90 or an activity approval under section 91 of the Water Management Act, 2000.

4.1 Environmental Planning and Assessment Act, 1979

The *EP & A Act, 1979*, and associated *Regulation, 2000* provide the legislative framework for the assessment and approval of development in NSW.

The proposed development constitutes a *major project* under Part 3A of the *EP & A Act, 1979* to be assessed by the Director General of the Department of Planning and determined by the Minister for Planning.

Part 3A of the *EP & A Act, 1979* was included, in 2005, as a new mechanism for the assessment and approval of major projects in NSW. The intent of Part 3A is to provide a streamlined assessment and approvals regime for major infrastructure projects and other development considered to be of State or regional significance. Approval under Part 3A will integrate the approvals required under eight separate acts and allow for consideration of threatened species obligations.

Part 3A is supported by *State Environmental Planning Policy (Major Projects) 2005* (SEPP Major Projects) which provides a policy mechanism for defining certain types of development as being *major projects* and thus requiring the assessment and approval of the Minister for Planning.

The proposed development is considered to fall within the following classification of a major project contained within Schedule 1 of SEPP Major Projects: -

11 Other manufacturing industries

*Development that employs **100 or more people** or with a capital investment value of more than **\$30 million** for the purpose of:*

- (a) *laboratory, research or development facilities, or*
- (b) *medical products, or*
- (c) *printing or publishing, or*
- (d) *textile, clothing, footwear or leather manufacturing, or*
- (e) *furniture manufacturing, or*
- (f) ***machinery or equipment manufacturing, or***
- (g) *the vehicle, defence or aerospace industry, or*
- (h) *vessel or boat building.*

In accordance with the above classification the proposed development is clearly eligible for consideration under Part 3A of the *EP & A Act, 1979*. This submission constitutes a formal application to the Minister for Planning to obtain approval for a major project and to request the preparation of *environmental assessment requirements* in accordance with Section 75 F(2) of the *EP & A Act, 1979*.

It is noted, under Section 75J of the *EP & A Act, 1979*, that the Minister cannot approve the development if it is prohibited under a SEPP, REP, or LEP. As will be subsequently demonstrated in this submission, the proposed development is not prohibited by any EPI applicable to the site or the development.

4.2 EPBC Act, 1999

The *EPBC Act, 1999* commenced on July 16, 2000. This Act introduces an assessment and approval system for: -

- Actions that have a significant impact on matters of national environmental significance;
- Actions that have a significant impact on Commonwealth land; and
- Actions carried out by the Commonwealth.

It is anticipated that assessment under Part 3A will require consideration of the EPBC Act, 1999 with regard to matters of National Environmental Significance such as: -

- World Heritage Properties

- Wetlands of international importance (RAMSAR sites)
- Threatened Ecological Communities (listed in the *EPBC Act, 1999*)
- Threatened Species (listed in the *EPBC Act, 1999*)
- Migratory Species (listed in the *EPBC Act, 1999*)
- Nuclear Actions
- The Commonwealth Marine Environment
- Critical Habitat (as listed in the Register of Critical Habitat)

Preliminary Investigations indicate that the site and development will not impact on any matters of National Significance.

4.3 Threatened Species Conservation Act, 1995

The *Threatened Species Conservation Act, 1995* contains lists of endangered populations, endangered ecological communities and critical habitats.

It is anticipated that environmental assessment under Part 3A will require consideration and testing of any species, community or habitat listed under the *TSC Act, 1995*.

Preliminary Investigations indicate that the site and development may have some impact on endangered ecological communities and endangered flora and fauna. It is likely that the 7 part test of significance (s5A of the *EP & A Act, 1979*) will be required as part of the environmental assessment.

4.4 The Roads Act, 1993

The *Roads Act, 1993* is administered by the RTA, the Local Council or the Department of Lands. The RTA has jurisdiction over major (state and regional) roads, the local council over local roads, and the Department of Lands over road reserves.

Section 75V requires the consistent application of the *Roads Act, 1993*

On this basis any required works within the road reserve, in particular, intersection upgrades will be in accordance with RTA requirements.

4.5 Protection of the Environment Operations Act, 1997

The *POEO Act, 1997* relates to pollution management and waste disposal in NSW. The *POEO Act, 1997* also establishes the licensing of certain activities, which are listed in Schedule 1 of the Act.

Section 75V requires the consistent application of the *POEO Act, 1997*.

Under Sandvik's current operations no specific licences are required under the *POEO Act, 1997* as no component of current operations is listed under Schedule 1 of the *POEO Act, 1997*.

While this may remain the case with the proposed development, the consolidation of a number of operations may act as a trigger for the requirement of a license under the *POEO Act, 1997*. It is anticipated that an assessment of the proposed development in the context of the *POEO Act, 1997* will be required at the environmental assessment stage.

4.6 State Environmental Planning Policies & Regional Environmental Plans

SEPPs and REPs are environmental planning instruments administered under the EP & A Act. SEPPs deal with issues considered to be of significance to the state and people of NSW. REPs deal with growth on a regional scale and address issues such as urban growth, commercial centres, extractive industries, heritage and rural lands. While REPs do not apply to a project approved under Part 3A of the *EPA Act, 1979*, a project cannot be approved under Part 3A if the development is prohibited by the REP. In this context any relevant REPs should be considered. The SEPPs and REPs applicable to the Sandvik project are as follows: -

- SEPP - Major Projects;
- SEPP 11 - Traffic Generating Developments
- SEPP 33 – Hazardous and Offensive Development
- SEPP 44 – Koala Habitat
- SEPP 55 – Remediation of Land
- Hunter REP, 1989

The following table provides a list of the aforementioned SEPPs and how they are likely to relate to the proposed development: -

Table 4.1

SEPP	Intent of SEPP	Likely application to the project
SEPP Major Projects	As discussed elsewhere in this submission, this project is classified as a major project under the SEPP. On this basis the project requires approval under Part 3A and the Minister for Planning will be the consent authority	Assessment under Part 3A of the EP & A Act, 1979.
SEPP 11 Traffic Generating Developments	SEPP 11 requires that the RTA is made aware of and given opportunity to make representations in respect of developments listed in Schedule 1 of the SEPP	The RTA will be required to consider the project as it is listed in Schedule 1 of the SEPP as an industrial development where the GFA exceeds 20000m ² .
SEPP 33 Hazardous and Offensive Development	SEPP 33 requires the consideration as to whether an industrial proposal is a potentially hazardous industry or potentially offensive industry. A hazard assessment is completed for potentially hazardous development to assist the consent authority in determining acceptability of the hazard.	It is anticipated that some components of the project may be considered as potentially hazardous. On this basis it is anticipated that a full assessment as part of the environmental assessment will be required.
SEPP 44 Koala Habitat	SEPP 44 aims to encourage the proper conservation and management of areas of natural vegetation that provide habitat for koalas to ensure a permanent free-living population over their present range and reverse the current trend of koala population decline.	The proposed development is located in an LGA listed under Schedule 1 of SEPP 44 and requires assessment as the site has an area greater than 1 hectare. It is anticipated that assessment in relation to whether the site contains potential or core koala habitat will be required.
SEPP 55 Remediation of	SEPP 55 states that land must not be developed if it is unsuitable for a	The current use of the site is such that there may be some risk of site

Land	proposed use due to contamination.	contamination. It is anticipated that assessment in accordance with SEPP 55 requirements will be required as part of the full environmental assessment.
Hunter REP, 1989	Does not prohibit the proposed development.	Does not require further consideration. It can be said that the development is consistent with the aims and objectives of the Hunter REP.

4.7 Local Environmental Plans

Local Environmental Plans are legislative environmental planning instruments administered under the *EP & A Act, 1979*. LEP's provide the statutory framework for the planning decisions for local government areas. LEP's do not apply to a project approved under Part 3A of the *EP & A Act, 1979*; however a project cannot be approved under Part 3A if the development is prohibited by the relevant LEP. The Port Stephens LEP 2000 is applicable to the subject site.

The proposed development is located in the 4(a) Industrial General Zone under the Port Stephens LEP, 2000 and is defined as *industry*. The definition of industry is contained in the LEP as follows: -

***Industry** means the manufacturing, assembling, altering, repairing, renovating, preparing, ornamenting, finishing, cleaning, washing, breaking up or adapting of any goods or any articles or any part of an article for trade or sale or gain, or as ancillary to any business but does not include an activity elsewhere defined in this Dictionary.*

The proposed use is permitted with Council's development consent and **is consistent with the primary objective of the zone** which is: -

to enable the development of a wide range of industrial, service, and storage activities and a limited range of business and retail activities

5. STAKEHOLDER CONSULTATION

It is anticipated that stakeholder consultation will be required with the following organisations: -

- The Department of Planning;
- Port Stephens Council;
- The Department of Environment and Conservation;
- The Roads and Traffic Authority;
- Hunter Water;
- Energy Australia;
- Agility (Gas Service provider); and
- The Tomago residential community

As part of the preliminary assessment Port Stephens Council have been consulted (minutes attached) primarily to gain their perspective on the local environmental constraints and opportunities critical to the proposed development and any issues they are likely to raise as part of the Environmental Assessment consultation process. They have also been consulted regarding the permissibility of the use and their confirmation (in principle) that the project is generally consistent with the zone objectives.

The outcomes of these initial discussions have been factored into the preparation of this report and will provide direction in the preparation of the full environmental assessment over the site.

Port Stephens Council offer the following preliminary comments: -

- The proposed development is permissible within the zone;
- The site may be affected by Acid Sulphate Soils;
- The site contains primary and supplementary Koala habitat;
- The site contains and endangered ecological community;

- The site is not subject to SEPP 71;
- An application to install a wastewater management system is required under Section 68 of the *Local Government Act, 1993*.
- A waste management plan for demolition, construction and post construction should be submitted; and
- Given the previous / current use of the site (Australchem) a Contaminated Lands Assessment should be undertaken;
- The development appears to contain large areas of impervious materials. This is likely to generate a large amount of runoff. A detailed stormwater management plan should be provided.

ATB Morton have also consulted with the relevant service providers to establish the availability of services to the project site.

6. ENVIRONMENTAL RISK ASSESSMENT

The potential environmental risks associated with the proposed development are contained in Table 6.1 and are subsequently addressed. Potential risks are given a *likely* rating based factors such as on:

- the scale and purpose of the development;
- current Sandvik operations;
- its location, proximity to dwelling houses;
- proximity to land zoned for residential development;
- natural water courses and wetlands; and
- known ecological constraints and social and economic considerations.

Such information is based on preliminary investigations undertaken by the proponent, council information and records, discussions with other authorities and information derived from Sandvik's existing operations: -

Table 6.1

Potential Environmental Risk Table		
Environmental Aspect	Environmental Impact	Environmental Risk Rating
Noise and Vibration	<ul style="list-style-type: none"> • Noise impact on adjoining properties • Vibration impact on adjoining properties 	<ul style="list-style-type: none"> • Low
Traffic and Transport	<ul style="list-style-type: none"> • Increased traffic volumes (amenity) • Local road conditions 	<ul style="list-style-type: none"> • Medium
Flora and Fauna	<ul style="list-style-type: none"> • Potential impact on endangered ecological communities • Potential impact on endangered flora and fauna species 	<ul style="list-style-type: none"> • High
Site Contamination	<ul style="list-style-type: none"> • Potential contamination from previous activities • Potential contamination from proposed development 	<ul style="list-style-type: none"> • Low

Water Quality	<ul style="list-style-type: none"> • Large increase in impervious surfaces. • Water pollution associated with runoff from the development 	<ul style="list-style-type: none"> • Medium
Air emissions	<ul style="list-style-type: none"> • Emissions from the manufacturing process 	<ul style="list-style-type: none"> • Low
Hazard	<ul style="list-style-type: none"> • Storage of hazardous materials on site. • Exposure of chemicals, oils, solvents etc associated with the manufacturing process with natural environments 	<ul style="list-style-type: none"> • Low
Heritage Indigenous	<ul style="list-style-type: none"> • Destruction of items, objects of significance as a result of the construction process 	<ul style="list-style-type: none"> • Low
Heritage Non Indigenous	<ul style="list-style-type: none"> • Destruction of items, objects of significance as a result of the construction process 	<ul style="list-style-type: none"> • Low
Visual Amenity	<ul style="list-style-type: none"> • Impact on the scenic qualities of the Tomago locality and any nearby residential environments. 	<ul style="list-style-type: none"> • Low
Flooding	<ul style="list-style-type: none"> • Low Lying land to the South east 	<ul style="list-style-type: none"> • Low
Waste Water Disposal	<ul style="list-style-type: none"> • Land remains unsewered and a package treatment plant is required to manage effluent disposal. 	<ul style="list-style-type: none"> • Low
Acid Sulphate Soils	<ul style="list-style-type: none"> • Soil works may activate potential acid sulphate soils 	<ul style="list-style-type: none"> • Low

The above risk ratings may change as a result of more detailed investigations and stakeholder consultation during a full environmental assessment of the site. The following sections expand upon the above table to provide a higher degree of certainty to DoP in issuing the environmental assessment requirements for the project.

6.1 High Environmental Risks

6.1.1 Flora and Fauna

While the subject land currently accommodates industrial development (Australchem) the scale of this facility is far smaller than that proposed by this project. As evident in the preliminary site analysis plan, and aerial photographs the proposal seeks to substantially

increase the building envelope and hard stand areas. This process will require the removal of vegetation.

Preliminary investigations, undertaken by General Flora & Fauna, suggest that the site contains an endangered ecological community, habitat or potential habitat for a number of endangered fauna species, and contains endangered flora species. Council records also suggest that the site may contain primary and supplementary Koala Habitat. In summary the report finds that much of the habitat is in a highly degraded state and is of low ecological value. The report concludes in finding that removal of vegetation from the subject site is unlikely to have an immediate significant impact on threatened species locally.

The report does however recommend the retention of the existing wetland area within the south eastern corner. While it also appears to be degraded, it may have some ecological value. Development of the subject site presents as an opportunity for the rehabilitation of the wetland area through the removal of noxious weeds and the re-establishment of environmental flows through the wetland area. The preliminary site plan demonstrates the retention of this wetland area.

6.2 Medium Environmental Risk

6.2.1 Traffic and Transport

The proposed development is likely to require a significant intersection upgrade to provide safe vehicular ingress and egress to the site. Local current traffic flows are the primary reason for Traffic and Transport being given a 'medium risk'. Implementation of proposed upgrades, particularly the intersection between Tomago Road and the Pacific Highway will significantly improve the current scenario. The preliminary traffic management report prepared by *MW Better Transport Futures* suggests that a 'sea – eagle' type intersection is appropriate for the scale, nature and likely traffic impact from the development.

6.2.2 Water Quality

The proposed development will result in a significant increase in impervious areas resulting in increased levels of runoff. While no stormwater concept plan has been prepared at this stage, it is anticipated a concept plan prepared on current best practice guidelines will be required as part of the environmental assessment in accordance with *Managing Urban Stormwater: - Soils and Construction (Landcom)*

6.3 Low Environmental Risk

6.3.1 Noise and Vibration

Industrial noise generation is regulated by the *NSW Industrial Noise Policy, 2000*. Industrial noise is considered in terms of intrusive noise and amenity. Intrusive noise criteria outlines that a source of continuous noise should not be more than five (5) decibels above the measured background levels. The amenity criteria are specific acceptable noise levels for nearby receivers such as dwelling houses, schools, places of worship and the like.

There will be some noise generation associated with the proposed development, primarily associated with the testing of mining machinery. Such noise generation will only be intermittent, and cannot be considered as a continuous source of noise. Other noise generation is unlikely to exceed the recommended noise level for Industrial developments of 70 decibels. Existing Sandvik operations have received no known noise complaints when operating at full capacity. While the proposed development seeks to centralise Sandvik operations, it is not anticipated that cumulative noise generation will exceed the recommended noise level of 70 decibels.

Furthermore, the location of the site is largely in the centre of the Tomago Industrial Estate. While the land zoned for industrial development, there are still isolated dwelling houses within the estate associated with previous agricultural uses. It is not anticipated that the proposed development will result in any loss of amenity as a result of noise and

vibration associated with Sandvik's proposed operations. The nearest dwelling house is 800 metres away. The nearest land zoned for residential purposes is located 8 Km away.

Similarly the impact of the development upon community facilities such as the Tomago Bowling Club (500 metres away) will be negligible in the context of other industrial developments currently operating in the Tomago locality.

6.3.2 Site Contamination / Demolition

The previous use of the site for chemical storage suggests that there may be some isolated soil contamination. Similarly demolition of existing buildings may result in the exposure of materials such as asbestos. It is anticipated that a Hazardous Materials Assessment and Contamination Assessment in accordance with SEPP 53 will be required as part of the environmental assessment. Given the nature of the proposed use and the likelihood of contamination being isolated, this risk has been given a low rating.

6.3.3 Air Emissions

The manufacturing and maintenance processes associated with the proposed development will not result in any significant emissions beyond those associated with the operation of machinery (diesel). Current Sandvik operations do not require any licensing in this regard. Similarly there has been no known complaint or objection in relation to Sandviks current operations, and in this regard it is not anticipated that any air assessment in accordance with DEC's *Approved Methods for the Modelling and Assessment of Air Pollutants in NSW, 2005* will be required.

6.3.4 Hazardous Materials

The nature of the use and materials required for its operation is such that the facility is unlikely to be determined as a potentially hazardous industry. It is anticipated that DoP will advise whether SEPP 33 applies as detailed in the *Applying SEPP 33: Hazardous and Offensive Development Application Guidelines 1994* prepared by DoP. Should this be the case a preliminary hazard analysis can be prepared, if required.

6.3.5 Indigenous Heritage

The proposed development will require excavation works which may potentially disturb or destruct items or places of significance. It is observed that the relevant provisions of the *National Parks and Wildlife Act, 1974* do not apply to projects assessed under Part 3A of the *EP & A Act, 1979*.

6.3.6 European Heritage

There are no listed items of heritage significance within the curtilage of the site. On this basis the proposed development would not have any impact and no further assessment is anticipated.

6.3.7 Visual Amenity

The location of the site within a major industrial estate accommodating a range of similar scale uses indicates that the proposed development is consistent with the current and desired amenity of the Tomago Locality. It is not anticipated that any further assessment will be required by DoP.

6.3.8 Flooding

The site is subject to flood inundation. Discussions with Port Stephens Council indicate that the flood impact is low hazard and suitable for filling where necessary. On this basis

the area subject to flooding is found in the south eastern corner and unlikely to impact on the feasibility of developing the subject allotments for industrial purposes.

6.3.9 Acid Sulphate Soils

While the site may contain Acid Sulphate Soils, the proposed development is unlikely to result in significant disturbance of such soils. It is anticipated that any geotechnical assessment of the site will test for such soils and, if required prepare an Acid Sulphate Management Plan in accordance with the *Acid Sulphate Soils Manual*.

6.3.10 Waste Water Disposal

The subject locality is currently un-sewered. Given the scale of the development and the likely numbers of employees 300 – 400 a package treatment plant is proposed to ensure that effluent disposal can be appropriately managed. It is anticipated that full details of the proposed system will be required as part of the environmental assessment process.

7. CONCLUSION

This preliminary assessment clearly demonstrates that the proposed development constitutes a major project as detailed in Schedule 1 of SEPP Major Projects as well as providing an accurate description of the development and the key statutory considerations which will be relevant in the environmental assessment process. This assessment also flags the key environmental risks associated in undertaking the proposed development and highlights how such risks will be considered and addressed for the environmental assessment.

Most importantly, this preliminary assessment suggests that the proposed development is justified in the context of social, economic and environmental considerations relating to the site and development and on this basis it is requested that the Director General's requirements be provided to facilitate the preparation and submission of a full environmental assessment over the site.



8. APPENDICIES