

26 November 2010

Ms Felicity Greenway
Senior Planner – Industry
Mining and Industry Projects
Major Projects Assessment, Department of Planning
GPO Box 39
SYDNEY NSW 2001

Dear Ms Greenway

Re: Kemps Creek Logistics Project, LOGOS Property, Concept Plan 10_0061 & Project Application 10_0062 (DoP Reference: 10/09175)

I refer to your letter of 14 October 2010 inviting Sydney Water comments on the potential servicing of the proposed Logistics Project within the Western Sydney Employment Lands Investigation Area (WSELIA) at Kemps Creek. Sydney Water has reviewed the proposal and would like to provide the following comments for your consideration.

A. General comments and background

Sydney Water understands the importance of employment lands in the urban growth context. It is also aware of a number of current Part 3A development applications involving significant industrial areas in western Sydney, including the LOGOS proposal, being considered by the Department.

In late 2008, Sydney Water advised the Department of an indicative infrastructure cost of approximately \$100 million for the potential servicing of the adjacent Western Sydney Employment Hub (WSEH) precinct 8, located south of the Warragamba pipeline at Horsley Park. Sydney Water understands the proposed Logistics development is outside this precinct and yet to be rezoned for industrial development.

Sydney Water intends to prepare an integrated servicing strategy for the WSELIA area when more detail is provided by the Department of Planning concerning future zoning and land use of the area. Servicing of the proposed development cannot be considered in isolation, as staged provision of infrastructure to the area needs to be considered as part of an integrated servicing strategy, which is only possible following detailed investigations.

There is no funding allocation for planning, environmental impact assessment and delivery of infrastructure for this site in Sydney Water's Growth Servicing Plan.

Developers wishing to develop ahead of Sydney Water's programmed delivery can do so by negotiating commercial agreements with Sydney Water. The Commercial Agreement will require the relevant developer to fund up front detailed servicing investigations, determination of the preferred servicing option and strategy in consultation with Sydney Water, and design and construction of the required infrastructure in accordance with Sydney Water's procurement strategy and commercial framework. Sydney Water will progressively reimburse the reasonable

costs once the trunk infrastructure is handed over to Sydney Water and as development proceeds.

In early 2009, Sydney Water met with senior Department of Planning officers to discuss a way forward to release employment lands in the area. During its consultations, Sydney Water advised the Department that under the current Water Industry Competition Act, developers may choose to procure services from other agencies or organisations independent of Sydney Water. Sydney Water will have no objection to such a proposal. Any proposal would need to be submitted to the relevant regulators for approval in accordance with the regulatory requirements. Sydney Water usually recommends that site reticulation be constructed in accordance with the National Code and Sydney Water standards, should the developer wish to connect to the Sydney Water network at a later stage.

B. Specific Comments on the proposal and potential infrastructure provision

Logos Property's Environmental Assessment describes a servicing option involving extending services from existing water and waste water systems. This approach doesn't provide a holistic integrated servicing strategy, and it doesn't consider servicing other potential adjacent developable land within WSELIA. As detailed in A above, Sydney Water requires an integrated servicing strategy for WSELIA, so that appropriately sized infrastructure can be staged and rolled out into the area. Sydney Water intends to complete this work, when provided with zoning and land use plans from the Department of Planning, so that an optimal solution to servicing land within WSELIA including Logos Land may be developed.

While there may be some spare capacity in adjacent water and waste water systems, Sydney Water does not support the development of out of sequence and isolated pockets of land without first investigating and developing a comprehensive servicing strategy. An integrated servicing strategy will consider the Department's land use planning, rezoning status, and employment land release sequencing for the area, and ultimate servicing requirements of all developable land in the identified investigation area.

C. General requirement for obtaining Sydney Water Section 73 Certificates

The proponent LOGOS Property, being the developer of the proposed Kemps Creek Logistics Hub, will be required to obtain a **Section 73 Compliance Certificate** as part of the development approval process. Following application, Sydney Water will assess the impact of the development and issue a 'Notice of Requirements' (under s74 of the Sydney Water Act 1994), which will detail the Sydney Water services required and conditions to be met. These requirements usually include:

- Correctly sized water and sewer mains;
 - Extensions or upsizing of existing pipelines as appropriate;
 - Protection of any existing Sydney Water operational assets and pipeline easements;
 - Payment of applicable Sydney Water charges; and
- The completion of any other requirements, relevant to the subject site (ie. preparation of an integrated servicing strategy).

To enable its requirements to be met, Sydney Water requests that the following condition be included by the Minister in any approval of the proposed Concept Plan and Project Application:

Prior to commencement of the development, the proponent must obtain a Compliance Certificate under Section 73 of the Sydney Water Act 1994. Application must be made through an authorised Water Servicing Coordinator.

The Section 73 Certificate, once issued, confirms that satisfactory arrangements for water-related services have been made with Sydney Water, including pre-treatment of trade waste and written permission from Sydney Water to discharge to its waste water system. The proponent is advised to engage the services of a Water Servicing Coordinator (WSC) to obtain the Section 73 Certificate and manage water-related servicing aspects of this proposal. Information on accredited Water Servicing Coordinators is available from any Sydney Water Customer Centre on 13 20 92 or Sydney Water's website at www.sydneywater.com.au.

D. Integrated Water Management for sustainable services

Sydney Water supports the implementation of Ecologically Sustainable Development (ESD) principles, total water cycle management and waste minimisation. Sydney Water would encourage the proponent of development to incorporate water efficiency measures in its subject development, including the provision of alternative water supply, water sensitive urban design and any water conservation measures. The objective is to reduce the demand of potable water from commercial and industrial development by promoting water efficient appliances and fit for purpose alternative water use. Sydney Water requests that the Minister require the developer to incorporate these provisions.

When determining landscaping options, the proponent of development should also take into account that certain tree species can cause cracking or blockage of Sydney Water pipes.

E. Conclusions and recommendation

Sydney Water will continue to work with the Department of Planning, the proponent and other relevant stakeholders to reach a reasonable servicing solution not only for the LOGOS site, but also the adjacent WSEH site 8 and land within the WSELIA in the long-term. Sydney Water anticipates that any assessment of the current proposal by the Minister would consider ongoing water and wastewater supply requirements, potential costs and/or service limitations, and the need for an integrated servicing strategy and preferred servicing option developed for the area.

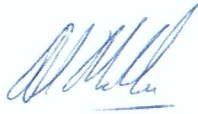
F. Sydney Water e-planning

Sydney Water has created a new email address for planning authorities to use to submit statutory or strategic planning documents for review. This email address is urbangrowth@sydneywater.com.au. The use of this email will help Sydney Water provide advice on planning projects faster, in line with current planning reforms. It will also reduce the amount of printed material being produced. This email should be used for:

- Section 62 consultations under the Environmental Planning and Assessment Act 1979
- consultations where Sydney Water is an adjoining land owner to a proposed development
- Major Project applications under Part 3A of the *Environmental Planning and Assessment Act 1979*
- consultations and referrals required under any Environmental Planning Instrument
- draft LEPs, SEPPs or other planning controls, such as DCPs
- any proposed development or rezoning within a 400m radius of a Sydney Water Wastewater Treatment Plant
- any proposed planning reforms or other general planning or development inquiries

If you require any further information or clarification, please contact Helal Morshedi of the Urban Growth Branch on 02 8849 6687 or e-mail helal.morshedi@sydneywater.com.au

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Adrian Miller', with a horizontal line underneath.

Adrian Miller
Manager, Urban Growth Strategy and Planning