Central Coast Council
Supplementary Business Paper
Ordinary Council Meeting
14 December 2021

CENTRAL COAST

COMMUNITY STRATEGIC PLAN 2018-2028

***ONE – CENTRAL COAST* IS THE COMMUNITY STRATEGIC PLAN (CSP) FOR THE CENTRAL COAST LOCAL GOVERNMENT AREA**

***ONE – CENTRAL COAST* DEFINES THE COMMUNITY'S VISION AND IS OUR ROADMAP FOR THE FUTURE**

***ONE – CENTRAL COAST* BRINGS TOGETHER EXTENSIVE COMMUNITY FEEDBACK TO SET KEY DIRECTIONS AND PRIORITIES**

One - Central Coast will shape and inform Council's business activities, future plans, services and expenditure. Where actions are the responsibility of other organisations, sectors and groups to deliver, Council will work with key partners to advocate on behalf of our community.

Ultimately, every one of us who live on the Central Coast has an opportunity and responsibility to create a sustainable future from which we can all benefit. Working together we can make a difference.

RESPONSIBLE

WE'RE A RESPONSIBLE COUNCIL AND COMMUNITY, COMMITTED TO BUILDING STRONG RELATIONSHIPS AND DELIVERING A GREAT CUSTOMER EXPERIENCE IN ALL OUR INTERACTIONS. We value transparent and meaningful communication and use community feedback to drive strategic decision making and expenditure, particularly around the delivery of essential infrastructure projects that increase the safety, liveability and sustainability of our region. We're taking a strategic approach to ensure our planning and development processes are sustainable and accessible and are designed to preserve the unique character of the coast.

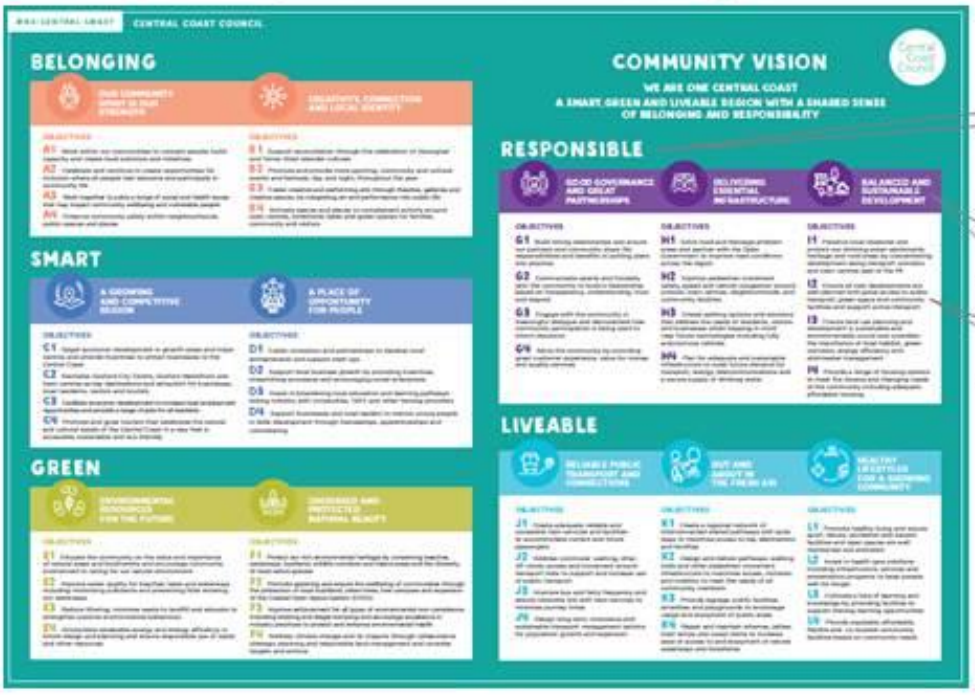
Good governance and great partnerships

G2 Communicate openly and honestly with the community to build a relationship based on transparency, understanding, trust and respect

There are 5 themes, 12 focus areas and 48 objectives

COMMUNITY STRATEGIC PLAN 2018-2028 FRAMEWORK

All council reports contained within the Business Paper are now aligned to the Community Strategic Plan. Each report will contain a cross reference to a Theme, Focus Area and Objective within the framework of the Plan.



Meeting Notice

The Ordinary Council Meeting
of Central Coast Council
will be held in the Council Chamber,
2 Hely Street, Wyong
on Tuesday 14 December 2021 at 6.30pm,
for the transaction of the business listed below:

1 PROCEDURAL ITEMS

2 REPORTS

David Farmer
Chief Executive Officer

AMENDED ITEM

Item No: 1.2

Title: Notice of Intention to Deal with Matters in Confidential Session

Department: Corporate Affairs

14 December 2021 Ordinary Council Meeting

Trim Reference: F2021/00035 - D14832123

Recommendation

That Council resolve that the following matters be dealt with in closed session, pursuant to s. 10A(2) of the Local Government Act 1993 for the following reasons:

Item 3.1 – Kariong Oval Recreation Area Skate Park, Pump Track and Playspace Upgrade

Reason for considering in closed session:

2(d) commercial information of a confidential nature that would, if disclosed:

(ii) confer a commercial advantage on a competitor of the Council.

That Council resolve, pursuant to section 11(3) of the Local Government Act 1993, that this report remain confidential in accordance with section 10A(2)(d)(ii) of the Local Government Act as is contains commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it and because consideration of the matter in open Council would on balance be contrary to the public interest.

Summary

It is necessary for the Council to adopt a resolution to formalise its intention to deal with certain matters in a closed and confidential Session. The report is incorporated in the "Confidential" business paper which has been circulated.

The *Local Government Act 1993* requires the Chief Executive Officer to identify those matters listed on the business paper which may be categorised as confidential in terms of section 10A of the *Local Government Act 1993*. It is then a matter for Council to determine whether those matters will indeed be categorised as confidential.

Context

Section 10A of the *Local Government Act 1993* (the Act) states that a Council may close to the public so much of its meeting as comprises:

2(a) personnel matters concerning particular individuals (other than Councillors),

2(b) the personal hardship of any resident or ratepayer,

2(c) information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business,

2(d) commercial information of a confidential nature that would, if disclosed:

(i) prejudice the commercial position of the person who supplied it, or
(ii) confer a commercial advantage on a competitor of the Council, or
(iii) reveal a trade secret,

2(e) information that would, if disclosed, prejudice the maintenance of law,

2(f) matters affecting the security of the Council, Councillors, Council staff or Council property,

2(g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege,

2(h) information concerning the nature and location of a place or an item of Aboriginal significance on community land.

2(i) alleged contraventions of any code of conduct requirements applicable under section 440

It is noted that with regard to those matters relating to all but 2(a), 2(b) and 2(d)(iii) it is necessary to also give consideration to whether closing the meeting to the public is, on balance, in the public interest.

Further, the Act provides that Council may also close to the public so much of its meeting as comprises a motion to close another part of the meeting to the public (section 10A(3)).

As provided in the Office of Local Government Meetings Practice Note August 2009, it is a matter for the Council to decide whether a matter is to be discussed during the closed part of a meeting. The Council would be guided by whether the item is in a confidential business paper, however the Council can disagree with this assessment and discuss the matter in an open part of the meeting.

Attachments

Nil

Item No:	2.4
Title:	Central Coast Stadium- Stadium Implementation Plan, Masterplan
Department:	Corporate Affairs

14 December 2021 Ordinary Council Meeting

Reference:	CPA/3800 - D14955820
Author:	Ben Brown, Property Development Manager
Manager:	Jamie Barclay, Unit Manager Development and Property
Executive:	Natalia Cowley, Director Corporate Affairs and Chief Financial Officer

Recommendation

That Council extends the completion of the Stadium Masterplan, with a new deadline of June 2022.

Report purpose

To notify and seek extension to complete the development of the Stadium Masterplan from its original December 2021 deadline as noted in the Stadium Implementation Plan to June 2022.

Executive Summary

At the Ordinary Meeting of Council held on 23rd March 2021, minute 83/21 resolved:

> *That Council adopt the Stadium Implementation Plan and make it available on Council's website.*

Within the Stadium Implementation Plan, Strategic Priority 3, required Council develop a precinct master plan by December 2021. Due to certain items requiring internal resolution it is recommended that the finalisation of the Stadium Masterplan be deferred to June 2022.

Background

On 23 March 2021, Council endorsed the Stadium Implementation Plan. Strategic Priority 3: *Precinct,* required Council develop a precinct master plan by December 2021. It is expected the precinct masterplan will help to improve connectivity between the city and stadium, lead to better activation of event days, and enhance the overall event and non- event day experience of the Stadium.

This is expected to lead to greater community, economic and financial impacts of events held at the Stadium, to both the Stadium and surrounding businesses.

Council is currently developing the masterplan with consideration (at a minimum) of:

- Connectivity to transport links; CBD and local businesses;
- Engagement with Brisbane Water and Leagues Park;
- Parking;
- Non- event day activation.

Report

Council is currently developing the Gosford Waterfront Masterplan and Stadium Masterplan via a holistic approach as both Masterplans are intrinsically linked. Whilst Council is continuing to develop both Masterplans, there are a couple of items requiring internal resolution prior to finalisation of the Stadium Masterplan. These items include:

1 Finalisation of the Management Rights EOI;
2 Land ownership succession to Council related to Lot 2, DP1011876;
3 Finalise discussions with DPIE related to the possibility of rezoning and reclassification of Lot 1, DP1011876.

Council is seeking an extension of the Stadium Masterplan deadline of December 2021 to June 2022 so there is adequate time to address the items noted above.

Consultation

Public consultation related to the Masterplan is scheduled to take place after finalisation of the draft masterplan and key stakeholder engagement has concluded.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

Economic development has budgeted the Masterplan development in this financial year.

Link to Community Strategic Plan

Theme 2: Smart

Choose Focus Area

S-C2: Revitalise Gosford City Centre, Gosford Waterfront and town centres as key destinations and attractors for business, local residents, visitors and tourists.

Risk Management

Council has concluded that finalising the Masterplan now without addressing the key items will adversely affect the Masterplan outcome.

Options

1. Modify the deadline to submit the Masterplan from December 2021 to June 2022.

2. Submit the Masterplan in its current form by December 2021 without the proper due diligence concluding.

Option 1 is recommended.

Critical Dates or Timeframes

If this recommendation is adopted, then the key date will be June 2022 to report back to Council with the finalised Stadium Masterplan.

Attachments

Nil.

AMENDED ITEM

Item No: 2.5

Title: Gosford City Car Park Detailed Structural Assessment - Budget

Department: Corporate Affairs

14 December 2021 Ordinary Council Meeting

Reference: F2020/00694 - D14934425
Author: Simone Chad, Manager Parking Stations
Manager: Jamie Barclay, Unit Manager Development and Property
Executive: Natalia Cowley, Director Corporate Affairs and Chief Financial Officer

Recommendation

That Council transfer $234,000 from account 123215 – External Restrictions (Gosford Parking Station Special Rate Levy) to 10.52151.821005.000.00000 - Gosford City Car Park, for the development of a Detailed Structural Assessment for the Gosford City Car Park to be used in the 2021/22 Financial Year.

Report purpose

To obtain approval to utilise and transfer funds from account 123215 – External Restriction Parking Stations Special Rate Levy to 52151.Gosford City Car Park for the development of a Detailed Structural Assessment for the Gosford City Car Park.

Executive Summary

In 2019 Council engaged GHD Consulting to undertake preliminary non-invasive structural testing and reporting on the level of deterioration at the Gosford City Car Park, which is approximately 40 years old. The reports provided by GHD detailed a level of deterioration that warranted further invasive studies, which were to be utilised to create a comprehensive capital works program for the car park. The Parking Station's section had budgeted for a project of this nature in both the 2020/21 and 2021/22 financial years. However, due to Council's financial crisis and the impact COVID has had on revenue at the Gosford City Car Park, the operational budget in both financial years has had to be relinquished. As such, funding is requested from the car park's external restriction to undertake this essential project.

Background

The Gosford City Car Park, formerly Baker Street Car Park, is a five level multi-storey car park. The car park is constructed of post-tensioned floor slabs supported on reinforced concrete columns and two stair/lift shafts. Its roof is made of light steel frame supports with metal cladding. The car park was built circa 1981 and it is approximately 40 years old.

In May 2019, Council engaged GHD to undertake a structural condition assessment of the car park. This report presents the concrete diagnostic investigation, including estimation of the remaining life of the carpark. The concrete diagnostic testing was undertaken and completed by GHD on 5 June 2019.

As noted in the GHD building condition report, the carpark structure is showing some signs of its age, in the form of numerous concrete deteriorations, and corroding roof structure. The concrete and steel deterioration noted in the building condition report included spalling, exposed and corroding reinforcement, numerous cracks, and corroding steel roof elements.

The concrete diagnostic test results in the report support the progressive deterioration of the carpark concrete elements and the requirement of remediation works in the near future.

The projected residual life of the existing concrete elements was determined using the carbonation diffusion model. The estimations indicate that the carbonation induced corrosion occurring in the concrete elements are low and in 2019 it was identified these elements have a remaining residual life of greater than 25 years, except for the deck soffit areas with low cover. Therefore, it could be assumed that the current residual life is approximately 23 years.

However, the investigations undertaken by GHD in 2019 were non-invasive. Therefore, it is essential that Council undertake a further detailed structural assessment, including ground penetrating radar scanning, to determine the full extent of deterioration of the structure. This study will produce a report including options, but not limited to, repair, rebuild, demolish and the associated costs. This will assist Council to make informed decisions for the future of the structure and understand the required capital investment to continue providing parking at the Gosford City Car Park/Gosford CBD.

The Parking Station Section had budgeted for this project in both the 2020/21 and 2021/22 financial years. However, with Council's financial crisis and COVID's impact on revenue at the Gosford City Car Park, the operational funding for this project has had to be relinquished in both instances. The balance of the External Restrictions (Gosford Parking Station Special Rate Levy), as of 31 October 2021, was $1,258,185 as such, it is requested to utilise $234,000 of this balance to fund this project. The special rate levy for the Gosford City Car Park is to provide funding for the operational and capital projects for the car park.

Current Status

Currently, until funding is approved this project is unable to commence. Therefore, the car park continues to deteriorate without any comprehensive capital works plan.

Consultation

No consultation required

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

> *1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.*

The following statement is provided in response to this resolution of Council.

The cost of this assessment, $234,000, will be funded from the External Restrictions (Gosford Parking Station Special Rate Levy), which had balance as of 31 October 2021 of $1,258,185. However, as this funding is not being offset by the Economic Development and Property Unit, there will be an increase to the Unit's operational expense budget by $234,000.

Council will transfer $234,000 from account 123215 – External Restrictions (Gosford Parking Station Special Rate Levy) to 10.52151.821005.000.00000 – Gosford City Car Park.

The special rate levy for the Gosford City Car Park is to provide funding for the operational and capital projects for the car park.

Link to Community Strategic Plan

Theme 4: Responsible

Goal H: Delivering essential infrastructure

R-H3: Create parking options and solutions that address the needs of residents, visitors and businesses.

Risk Management

This project is essential and is required to proceed, not proceeding will create a safety risk, with the car park continuing to deteriorate.

Critical Dates or Timeframes

Approval of the budget transfer is required to develop a comprehensive capital works plan for the Gosford City Car Park/Gosford CBD parking options, without an approved budget in 2021/22 this project is unable to proceed.

Attachments

1	Gosford Carpark Concrete Testing	Provided Under Separate Cover	D14822540

2 	Building Condition Report	Provided Under Separate Cover	D14822546

Memorandum of Understanding

Gosford CBD

Landcom

The Technical and Further Education Commission

Central Coast Council

[This document is subject to internal and legal review.]

Parties

Name	Landcom
ABN	79 268 260 688
Notice details	Level 14, 60 Station Street East, Parramatta NSW 2150 [redacted]

Name	The Technical and Further Education Commission
ABN	89 755 348 137
Short form name	TAFE NSW
Notice details	Level 2, Building A, Mary Ann Street, Ultimo NSW 2007 [redacted]

Name	Central Coast Council (Administrator Appointed)
ABN	73 149 644 003
Short form name	CCC
Notice details	49 Mann Street, Gosford NSW 2250 [redacted]

Background

A TAFE NSW is a leading vocational education and training provider, which provides a broad range of high quality and practical training courses and resources.

B Central Coast Council (**CCC**) is a local government entity constituted under the *Local Government Act 1993* (NSW). CCC performs the functions of a local council under the Act for the geographic area known as the Central Coast Local Government Area.

C Landcom is a State-Owned Corporation constituted under the *Landcom Corporation Act 2001* (NSW). Landcom is the NSW Government's land and property development organisation. Landcom works with government and the private and not-for-profit sectors to deliver exemplary housing projects that provide social and economic benefits to the people of NSW. Landcom's mission is to create more affordable and sustainable communities. This is delivered through partnerships and leadership.

D TAFE NSW is considering its options in terms of relocating its campus to the Gosford CBD. As an NSW Government entity, these options must be considered and approved by NSW Government and are subject to their timing and priorities.

E TAFE NSW has received consent to commence demonstration of the service need and to analyse options for the delivery of a new TAFE NSW Gosford Campus.

F Central Coast Council owns surplus land and buildings in the Gosford CBD, being the land comprised in folio identifiers 1-3/129268, B/321076, 1/251476, 454/727721, 1/564021 and 2/543135 (**Council Site**).

G Central Coast Council is seeking a binding contract for sale of the Council Site to be in place by mid-2022.

H Landcom and TAFE NSW have provisionally identified the Council Site as the preferred relocation option for the new campus, subject to obtaining relevant NSW Government approvals.

I The purpose of this document is to provide the framework for the parties to reach an agreement to transact on the Council Site for the primary purpose of the development of a new TAFE NSW facility.

Agreed Terms

1 Governance

The parties will establish an appropriate governance framework for working together in connection with this document.

The parties intend to work together in good faith to deliver the scope and objectives set out in this document.

Each party will nominate a representative who will meet at mutually agreed times to:

- act as a point of contact for any proposed opportunities or initiatives;
- discuss the relationship between the parties and the performance of this document; and
- discuss any potential issues or opportunities arising.

The parties will set up a working group (**WG**) to oversee delivery of the scope set out in this document. The WG will be formed with equal representation from each party. The WG will meet fortnightly or at other intervals as agreed by the parties.

The parties agree that the WG has no delegated authority to bind the parties, and separate approvals for any recommended actions or commitment of resources will be required from the appropriate level of authority within each party.

2 Project Objective

The parties acknowledge and agree that Landcom and TAFE NSW will jointly assess the suitability of the Council Site for the prime purpose of redevelopment into a new TAFE NSW campus (**Objective**).

The parties acknowledge that alternate uses may be proposed for part or whole of the Council Site, and that TAFE NSW and Landcom's use of the land is not intended to be conditioned or restricted unless otherwise agreed.

3 Process Towards Contract

3.1 Generally

The parties are seeking to agree terms for the sale of the Council Site for the primary purpose of achieving the Objective. To progress and achieve this, and to the extent relevant to each party, the parties agree to use reasonable endeavours to do the following generally in accordance with the program set out in clause 3.8:

- obtain NSW Government approvals in accordance with clause 3.2;
- obtain a valuation of the Council Site in accordance with clause 3.3;
- reclassify part of the Council Site in accordance with clause 3.4;
- investigate, consider and address contamination and remediation in accordance with clause 3.5;

- agree the price for the Council Site in accordance with clause 3.6; and
- achieve the other outcomes listed in clause 3.8.

3.2 Government approval process

On completion of the assessment in clause 2, and subject to Landcom and TAFE NSW being satisfied that the Council Site is suitable (acting reasonably), TAFE NSW will, with Landcom assistance, seek NSW Treasury approval.

3.3 Valuation of the Council Site

The Council Site will be valued by a Valuer in accordance with this clause 3.3.

The parties agree that the valuer who performs the valuation will be:

- briefed in accordance with the valuation brief provided at Annexure 1;
- selected by the WG from a list of valuers agreed by the parties, with each party having been given the opportunity to nominate two valuers approved by that party;
- procurement of the valuer will be undertaken by Council in a transparent procurement process in accordance with Council's Procurement Policy; and
- jointly engaged by the parties as determined by the WG.

CCC will make available for this purpose all necessary documents regarding the current site condition to inform the valuation. Supplementary information will be provided by Landcom and TAFE NSW by agreement if required.

3.4 Reclassification of community land

The parties acknowledge that some land comprising the Council Site, namely the properties at 73 & 75 Mann Street under folio identifiers Lot 2 in Deposited Plan 543135 and Lot B in Deposited Plan 321076, are currently classified under the Gosford SEPP as 'community land'.

The parties agree that this land must need to be reclassified to 'operational land' before any acquisition can take place.

CCC agrees to use reasonable endeavours to do all things necessary to have this land reclassified as 'operational land' in accordance with the program in clause 3.8.

3.5 Subsurface Remediation

The Parties acknowledge that there are ground contaminants as documented in the Geotechnical Investigation report by Douglas Partners dated 13 April 2018 in Annexure 2.

The parties agree that any acquisition by Landcom, TAFE NSW and/or the Minister of Skills and Tertiary Education is subject to adequately addressing remediation of the Council Site.

CCC acknowledges and agrees that it is responsible for the remediation costs of the Council subsurface land and compliance with any orders in respect of such contamination.

The parties agree that additional subsurface contamination testing may be undertaken by Landcom and/or TAFE NSW at their cost prior to acquisition of the Council Site.

The Working Group will, with the assistance of a suitably qualified consultant / Auditor engaged by Landcom and/or TAFE NSW,

- Agree the extent and programme for additional testing required (if any); and
- Explore options and prepare an appropriate remediation strategy that would facilitate a Site Audit Statement to ensure that the site is suitable for its intended use; and
- Prepare an estimated remediation cost including appropriate contingencies.

3.6 Remediation Above Ground

The parties acknowledge the potential for the presence of contamination above ground and within the structures on the Council Site and agree that any acquisition by Landcom, TAFE NSW and/or the Minister of Skills and Tertiary Education is subject to adequately addressing remediation of the Council Site.

The Parties acknowledge that there are hazardous materials contained within 53 to 71 Mann Street as documented in a report by Coffey Partners dated 17 April 2020 in Annexure 3.

The parties agree that additional survey and testing may be undertaken by Landcom and/or TAFE NSW at their cost prior to acquisition of the Council Site to identify further hazardous materials.

The parties agree that the results of all relevant surveys will be provided to the appointed valuer for inclusion in their assessment of value.

3.7 Price

The parties agree that the price of the Council Site is to be agreed having regard to the valuation obtained under clause 3.3, the matters referred to in clauses 3.5 and 3.6 and in accordance with the program in clause 3.8.

The parties intend that any binding contract of sale of the Council Site will document the agreed position relating to the agreed remediation costs and strategy.

The parties agree that if the resulting price is not suitable to one or more of the parties, any party may terminate this memorandum by providing 14 days' notice in writing.

3.8 Program

In addition to the preceding clauses, the Working Group will prepare a detailed programme for achievement of the following milestones with a view to achieving a sale by 30 June 2022:

a) establish the WG;

b) assessment by TAFE NSW and Landcom of the Council Site's suitability to meet the Objective;

c) procurement of a valuer;

d) draft valuation report received;

e) valuation report agreed by the parties;

f) NSW Treasury approval;

g) Landcom Board approval (if relevant);

h) Reclassification of the relevant land within the Council Site to 'Operational Land';

i) entry into a binding contract of sale of the Council Site to occur as soon as reasonably practical after all the above actions are satisfactorily achieved.

4 Exclusivity and Access

During the term of this document specified in clause 5,1(a):

- CCC grants Landcom, TAFE NSW and the Minister administering the *Technical and Further Education Commission Act 1990* exclusive rights to negotiate the purchase of the Council Site and must not enter or continue any negotiations with any other parties or conduct any market activities in relation to the sale or leasing of the Council Site, unless otherwise agreed by the parties;
- CCC must not, without the prior written consent of Landcom and TAFE NSW, assign, transfer, mortgage, dispose of, lease, licence, grant an option or otherwise deal with the Council Site during the term of this document.
- CCC must provide reasonable information about the Council Site to Landcom and TAFE NSW to assist with the assessment in clause 2;
- On request, CCC agrees to provide reasonable access to the Council Site to Landcom's and TAFE NSW's representatives, employees, contractors, consultants and agents for inspections, to obtain certificates or reports, valuations, surveys, testing and to undertake any due diligence activities and any other associated activities at Landcom and TAFE NSW's risk; and

5 Term and Status of this Document

5.1 Term

This document expires on the date one year after the date of this document, or such other later date agreed in writing by all parties.

If this document expires or terminates for any reason, the parties must return all information that the other parties have indicated that are confidential in nature (**Confidential Information**), intellectual property or other materials belonging to the other party whether provided before or during the term of this document except to the extent a party needs to retain the other party's Confidential Information for record keeping purposes or to comply with any law.

5.2 Status of this document

The parties agree that this document is not intended to be legally binding, except in respect of clauses , 4(b), **Error! Reference source not found.**, 6.1, 6.6, 6.7, 6.8, 6.10 and 6.11. Nothing in this document is intended to bind any party to enter into any future transaction or document.

If required, any future transaction or document is subject to:

- Landcom obtaining Landcom Board and any other shareholder approvals; and
- CCC and the purchasing entity entering into a binding and unconditional contract for the purchase of the Council Site on terms and conditions satisfactory to both parties.

6 Miscellaneous

6.1 Costs

Except as expressly provided for in this document or as agreed between any of the parties, each party will bear their own costs arising from undertaking the actions contemplated by this document.

6.2 Communications and stakeholder engagement

The parties agree to comply with the communications and stakeholder engagement protocol to be developed and approved by the WG.

6.3 Counterparts

This document may be executed in counterparts. All executed counterparts constitute one document.

6.4 Other agreements

This document is not intended to limit or vary the operation of any other agreement between the parties including in relation to costs or confidentiality.

6.5 Relationship

This document does not create a relationship of employment, trust, agency or partnership between the parties.

6.6 Intellectual Property

Nothing in this document is intended to transfer or grant rights in respect of each party's intellectual property rights.

Any intellectual property rights in any work created or developed (including any modifications or adaptations to that work) solely by a party (or its personnel) in the course of performing any work or activities under this document, will belong exclusively to that party.

Any intellectual property rights in any work created or developed (including any modifications or adaptations to that work) jointly by all or some of the parties in the course of performing any work or activities under this document, will be determined and agreed by the relevant parties.

6.7 Confidentiality

A party may only use confidential information of another party for the purposes of this document and must keep the existence and the terms of this document and any confidential information of another party confidential except where:

- the information is public knowledge (but not because of a breach of this document) or the party has independently created the information;
- disclosure is required by law or a regulatory body (including a relevant stock exchange) or to any Government Authority for any legitimate government purpose or process; or
- disclosure is made to a person who must know for the purposes of this document, on the basis that the person keeps the information confidential.

6.8 Announcements

A public announcement in connection with this document or any transaction contemplated by it must be agreed by the parties before it is made, except if made by an elected official, required by law or a regulatory body (including a relevant stock exchange), in which case the party required to make an announcement must, to the extent practicable, first consult with and take into account the reasonable requirements of each other party.

6.9 Government Information (Public Access) Act 2009 (NSW)

All parties acknowledge and agree that a party may be required under the *Government Information (Public Access) Act 2009* (NSW) to publish certain information concerning this document.

6.10 Privacy

(a) For the purpose of this clause, "Personal Information" means information or an opinion whether true or not, and whether recorded in material form or not, about a natural person whose identity is apparent, or can reasonably be ascertained, from the information or opinion.

(b) Each party must comply with the *Privacy Act 1988* (Cth), the *Privacy and Personal Information Protection Act 1998* (NSW), in so far as they apply to that party, and all other applicable laws, codes and standards relating to the collection, storage, use and disclosure of Personal Information.

6.11 Liability

A party is not liable under this document (whether under statute, common law, tort (including negligence) or otherwise to any other party for any special, indirect or consequential loss or damage or for loss of profit, loss of revenue or loss of contract.

Signing page

Executed as a deed.

Dated day of .

Signed, sealed and delivered for and on behalf of **Landcom** by its attorneys jointly under power of attorney Book 4768 No 634 dated 29 November 2019. By signing this document, each attorney certifies that they have no notice of revocation of such powers and authorities.

Signed in the presence of:

Signature of witness	Signature of attorney
Name of witness	Name of attorney
Address of witness	Position of attorney

Signed in the presence of:

Signature of witness	Signature of attorney
Name of witness	Name of attorney
Address of witness	Position of attorney

Signed for The Technical and Further Education Commission by an authorised person in the presence of

Signature of witness

Name of witness (print)

Signature of authorised person

Name of authorised person (print)

Position held

Signed for Central Coast Council (Administrator Appointed) by an authorised officer in the presence of

Signature of witness

Name of witness (print)

Signature of officer

Name of officer (print)

Office held

Annexure 1 Valuation brief

Central Coast Council

Contract Brief

for

Provision of Property Valuations

[redacted]

Wyong Office: 2 Hely St / PO Box 20 Wyong NSW 2259 I **P** 02 4350 5555
Gosford Office: 49 Mann St / PO Box 21 Gosford NSW 2250 I **P** 02 4325 8222
E ask@centralcoast.nsw.gov.au I **W** www.centralcoast.nsw.gov.au I ABN 73 149 644 003

Contract Brief

OBJECTIVE

Council is inviting tenders from experienced valuation firms to provide a valuation on the joint behalf of:

1. Central Coast Council
2. Landcom
3. TAFE NSW

The sites in question are:

#	Address	Town
1	49-75 Mann St & 126 Georgiana Terrace (8 x lots **Council Buildings**)	Gosford

Outlined within this document is further information on each site.

Applicants must be able to demonstrate experience and successful outcomes in respect to previous valuations undertaken.

The purpose of this brief is to provide enough information for a detailed Fee Proposal for these services.

Fee proposals will be due by XX/ XX/ 2022.
Council intends on engaging the successful valuer immediately with a view of obtaining valuations for the property within 2 weeks after engagement.

BRIEF:

Instructions
This valuation will be instructed by Central Coast Council on the joint behalf of:

1. Central Coast Council
2. Landcom
3. TAFE NSW

Each party expects to independently rely on the valuation for the purposes of the proposed transaction

The Parties to whom the valuation should be jointly addressed and issued:

1. Central Coast Council
2. Landcom
3. TAFE NSW

Document Format

Each party requires a minimum of one signed original and one electronic copy of the report. We also require any Estate Master or files as separate emdf files.

Standards

Valuations must be performed in accordance with the prevailing Australian Property Institute (API) Code of Ethics, the API Rules of Conduct and the API Code of Professional Practice.

Basis of the valuations:

The objective of these valuations is to provide independent third-party valuations of the subject land to determine indicative values for the Site based on the following scenarios:

Scenario	Valuation	Comments
1	Current Use	Market value "as is."
2	"Highest and best use"	Market value "as is" on a highest and best use base for redevelopment without Development Consent. Valuation method may include capitalisation, summation, hypothetical development and DCF. Valuer to propose.

A Combined Value assuming all properties are acquired " in a Line" is required.

In addition, seperate valuations for the following properties are required:

1. 126 Georgiana Terrace 454 / DP727721
2. 49-51 Mann Street Pt 1 / 564021 & 1 / DP251476
3. 53-71 Mann Street 2 & 3 DP129268 & 1 / DP129268
4. 73-75 Mann Street B / DP321076 & 2/DP543135

Process:

- The Valuer is to provide a draft copy of their valuation report for review by the parties within 2 weeks of instruction.
- The valuer is to allow 2 weeks for the parties to submit written or verbal queries in respect of the draft report and any assumptions made there within.
- The parties will have the opportunity to jointly meet with the valuer to discuss the report.
- The valuer will then address and take into consideration comments made by the parties and issue a final report.

Other

- The Valuer must hold relevant Professional Indemnity Cover (PIC). Details of such cover must be provided to the parties for approval prior to commencing the valuation.
- The valuation amount and the contents of the report are not to be disclosed to anyone else without the instructing party's prior approval.
- Definition of Valuation: In the case of market value it is assumed to be:

  "The estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion." as per the Australia Property Institute's definition.

Summary - Restrictions, Strategic Implications of Selling & Community Risks

#	Address	Town	Restrictions, Strategic Implications of Selling & Community Risks
1	49-75 Mann St & 126 Georgiana Terrace (8 x lots **Council Buildings**)	Gosford	• Site located within the State Environmental Planning Policy SEPP (Gosford City Centre) 2018, Gosford DCP and Gosford Special Infrastructure Contributions (SIC). Central Coast Regional Plan 2036 - Site identified within Precinct 3: The City Core (Council facility identified). • Loss of strategic land acquired last year for the purpose of the regional library precinct/RPAC. • Conservatorium rent $1,890.91 PA ex GST. Occupancy agreement holding over. • Telco leases on 49 Mann include Vodafone (rent $56,969.18 ex GST), Telstra (rent $37,904.35 ex GST) and LBNCo (rent $3,090) to be terminated 2022. • 73 & 75 Mann St need to be reclassified as operational land before they can be sold. Former owners of 73 & 75 Mann St may have a right to be offered the properties for sale first, under the *Land Acquisition (Just Terms Compensation) Act.*

Property Summaries- Key Information

Parcel Information – 49-75 Mann St & 126 Georgiana Terrace Gosford 2250			
Lots & DP	1/DP564021 – 49-51 Mann St – Gosford Council Chambers 1/DP251476 – 49-51 Mann St – small strip of road closure land at back of Gosford Council Chambers Henry Parry Drive Lots 1, 2 & 3 DP129268 – 53-71 Mann St – Broadwater site B/DP321076 – 73 Mann St (formerly Alexanders Restaurant) 2/DP543135 – 75 Mann St (formerly Bannerman's Offices) 454/DP727721 – 126 Georgiana Terrace – partly occupied by Conservatorium	Site Description	Number of sites with vehicular access from both Henry Parry and Mann Street. Assets on site consist of some derelict buildings, at grade parking, commercial office buildings with underground parking, hospitality/commercial spaces and storage sheds.
Land Size	8308m²	Classification	1/DP564021 –49-51 Mann St - Council chambers 1994 bulk classification resolution – no public trust 1/DP251476 – 49-51 Mann St road closure strip - road closure land is operational land under s43 *Roads Act 1993.* Broadwater site Lots 1, 2 & 3/DP129268 classified by Council resolution dated 23 June 1998 – no public trust 454/DP727721 B/DP321076 – Community Classified (Reclassification Lodged with Council) 2/DP543135 – Community Classified (Reclassification Lodged with Council) 126 Georgiana Terrace - operational land – council resolution 24 May 1994 – no public trust.
Zone	B3 Commercial Core	Ecology	-
How it came into Council ownership	1/DP564021 – 49-51 Mann St – Gosford Council Chambers – purchased in 1942 for £60 from Tooth & Co. 1/DP251476 – 49-51 Mann St road closure strip – vested in Council when road was closed - gazetted 5 March 1976. Broadwater site 2 & 3/DP129268 – 53 & 55-57 Mann St – purchased 14 May 1999 for $1.35M Broadwater site 1/DP129268 – 59-71 Mann St – purchased 10 June 1998 for $1.2M B/DP321076 – 73 Mann St – purchased by private treaty in 2019 for purpose of regional library development/RPAC. The parcel was acquired by agreement, under the framework of the Land Acquisition (Just Terms Compensation) Act. 2/DP543135 – 75 Mann St - purchased by private treaty in 2019 for purpose of regional library development/RPAC. The parcel was acquired by agreement, under the framework of the Land Acquisition (Just Terms Compensation) Act. 454/DP727721 – 126 Georgiana Terrace – land swap with The State of NSW (for Lots 1317 DP 1905 Holden St Gosford) – Council paid difference in market value of the land.	Easements and Restrictions	Heritage listing (1/DP564021 Council admin building - https://apps.environment.nsw.gov.au/dpcheritageapp/ViewHeritageItemDetails.aspx?ID=1620245 1/DP564021 – 49-51 Mann St – 4 registered telco leases 1/DP251476 – 49-51 Mann St Road closure strip – proceeds of sale must be set aside and applied for road acquisition or road works. Broadwater site 2 & 3/DP129268 – 53 & 55-57 Mann St – various utility easements & ROW appurtenant to the land Broadwater site 1/DP129268 – 59-71 Mann St – drainage and sewer easement; right of carriageway B/DP321076 – 73 Mann St - Nil 2/DP543135 – 75 Mann St - Nil 454/DP727721 – 126 Georgiana Terrace – Conservatorium Occupancy agreement - holding over

Loss of Rent (Existing Tenants)	454/DP727721 – 126 Georgiana Terrace Conservatorium pays $1,890.91 ex GST annually. Occupancy agreement holding over. Telco leases on 49 Mann include Vodafone (rent $56,969.18 ex GST), Telstra (rent $37,904.35 ex GST) and LBNCo (rent $3,090)	Strategic Implications of Selling	Loss of a major council administration building asset located within Gosford, the capital of the Central Coast Region including staff carparks. Loss of strategic land acquired over the 1990s for purpose of a regional library. Loss of strategic land acquired last year for the purpose of the regional library development/RPAC.
			Loss of small strip of land required by Conservatorium for proposed future addition to Conservatorium heritage building at 45 Mann St.
Risks (Community)	Loss of the main council administration building (and customer service centre) within Gosford. Gosford has been nominated as the capital of the Central Coast Region by the State Government. (Refer to The Central Coast Regional Plan 2036).		

Image: **Lot Boundaries**

Key Assumptions for Valuation Purposes (to be agreed or varied by the parties prior to instruction)

#	Issue	Assumption
1.	Heritage	The valuer will be provided with an agreed heritage report to confirm that the Council Building at 49-51 Mann St is heritage listed and will need to be retained.
2.	Ground Contamination (Subsurface contamination)	The valuer will be instructed to assume that no Subsurface ground contamination exists on the Site.
3.	Building Contamination	The valuer will be provided with agreed surveys (existing and yet to be commissioned) of all buildings and structures on the Site detailing the presence of hazardous materials in the buildings and the associated costs of removal / containment.
4.	Structural Integrity of buildings	The valuer will be provided with an agreed survey report to demonstrate whether the buildings are structurally safe and capable of refurbishment. Also, to demonstrate whether the buildings are capable of demolition without undue impact on adjoining properties.
5.	Title	The valuer will be provided with an agreed report to confirm whether there are any material title impediments for consideration.
6.	Council Land Classification	The valuer will be provided with agreed instructions on the Operational or Community Land status of the lots with the Site.
7.	Ground Conditions	The valuer will be provided with a report to demonstrate whether Normal Ground Conditions exist on site.
8.	Services	The sites are full serviced by gas, water, sewer, comms infrastructure and electricity.

LIST OF APPENDICES

APPENDIX A: Returnable Schedule

APPENDIX B: CCC Standard Conditions of Contract for Professional Services

APPENDIX A

Please submit this Returnable Schedule:

Returnable Schedule	
Total cost for the work including GST:	Please provide a fee proposal for the property: 49-75 Mann St & 126 Georgiana Terrace (8 x lots **Council Buildings**): $
Company Name	
Contact Name	
Phone	
Email	
Date available to commence the work	
Estimated date of completion of the work	
Proposed Method of Valuation: **1. Current Use**	
Proposed Method of Valuation: **2. "Highest and Best Use"**	

APPENDIX B:

CCC Standard Conditions of Contract for Professional Services

Annexure 2 Douglas Partners Geotechnical report 13 April 2018

Douglas Partners
Geotechnics / Environment / Groundwater

Integrated Practical Solutions

Draft Report on
Preliminary Geotechnical Investigation

Proposed Regional Performing Arts and Conference Centre
Various Locations, Gosford

Prepared for
Central Coast Council

Project 83359.00
March 2018

Douglas Partners
Geotechnics / Environment / Groundwater

Document History

Document details

Project No.	83359.00	Document No.	83343.00.R.001.Rev0
Document title	Report on Preliminary Geotechnical Investigation Proposed Regional Performing Arts and Conference Centre		
Site address	Various Locations, Gosford		
Report prepared for	Central Coast Council		
File name	83359.00.R.001.DftA		

Document status and review

Status	Prepared by	Reviewed by	Date issued
Draft A	Troy McClelland	Fred Verheyde	

[redacted]

The undersigned, on behalf of Douglas Partners Pty Ltd, confirm that this document and all attached drawings, logs and test results have been checked and reviewed for errors, omissions and inaccuracies.

	Signature	Date
Author		
Reviewer		

Douglas Partners Pty Ltd
ABN 75 053 980 117
www.douglaspartners.com.au
Unit 5, 3 Teamster Close
Tuggerah NSW 2259
Phone (02) 4351 1422
Fax (02) 4351 1410

Douglas Partners
Geotechnics / Environment / Groundwater

Table of Contents

Draft Report on Preliminary Geotechnical Investigation Proposed Regional Performing Arts and Conference Centre Various Locations, Gosford

1. Introduction

This draft report presents the results of a preliminary geotechnical investigation undertaken by Douglas Partners Pty Ltd (DP) for the proposed Regional Performing Arts and Conference Centre (RAPCC) which is being considered for various locations within the Gosford CBD. The investigation was commissioned by [redacted] and was undertaken in accordance with Douglas Partners' proposal CCT180103 dated 19 March 2018.

It is understood that at this stage, the proposed RPACC will be located at one of the following locations:

- Site 1 – Memorial / Rotary Park (Poppy Park), Mann Street / Dane Drive, Gosford;
- Site 2 – 126 Georgiana Terrace, Gosford; and
- Site 3 – 55 to 71 Mann Street, Gosford.

At this stage, the concept design is in early stages and the extent of the proposed development has not been provided to DP. It has been advised, however, that the proposed development will comprise a two level basement carpark and excavation would be required to depths in the order of about 6 m to 7 m.

The preliminary geotechnical investigation was required to assist with the selection of the preferred site for the RPACC and provide preliminary information to assist with planning and concept design of the RPACC. The investigation has been carried out to provide preliminary comments on the following:

- Subsurface conditions at test locations;
- Groundwater observations (if encountered);
- Presence of Acid Sulfate Soils (Poppy Park, Site 1);
- Excavation conditions;
- Indicative foundation options and parameters for both high level and piled footings; and
- Safe batter slopes and parameters for retaining walls.

The investigation included the drilling of two boreholes per site (some including rock coring), point load testing of selected rock core samples, and acid sulfate soil screening tests. The details of the field work are presented in this report, together with comments and recommendations on the issues listed above.

It is noted that the results of the acid sulfate soil (ASS) testing was not available at the time of the preparation of this draft report. The results of the ASS testing will be included in the final report.

2. Site Description

2.1 Site 1 – Poppy Park, Mann Street / Dane Drive, Gosford

Memorial / Rotary Park (aka Poppy Park) is located between Dane Drive (to the west) and Mann Street (to the east). It is also bounded by Vaughan Avenue to the north.

The investigation was limited to the north-western area of the site, and at the time of the investigation, the site was generally grass covered with some landscaped gardens and asphalt surfaced paths. Figure 1 below, show a photograph taken of the site at the time of the investigation.

Figure 1 – View of Poppy Park investigation area, looking

This area of the site is relatively flat, however, comprises a filled mound along the northern and eastern sides. Review the local topographical mapping indicates that surface levels in this area of the site are in the order of about RL 2 m AHD.

2.2 Site 2 – 126 Georgiana Terrace, Gosford

Site 2 is located at 126 Georgiana Terrace, Gosford and is bounded by Georgiana Terrace to the south, Henry Parry Drive to the east, conservatorium building to the west and Council service building to the north.

At the time of the investigation, the eastern half of the site was being used as a Council carpark and was asphalt surfaced (refer Figure 2). In the western half of the site, existing development comprised a cottage, separate demountable and separate shed. Areas surrounding the existing development were generally either grass covered or asphalt surfaced (refer Figure 3).

Figure 2 – View of the eastern area of the site, looking north

Figure 3 – View of the western area of the site, looking north

Cut to fill earthworks appear to have been carried out to create the level areas within the site.

The natural surface levels typically fall to the west at about 10° to 15°. Review of the local topography mapping indicates that surface levels range from about RL 30 m AHD in the east to RL 16 m AHD in the west.

2.3 Site 3 – 55 to 71 Mann Street, Gosford

Site 3 is located over two lots, identified as 53 to 71 Mann Street, Gosford and is bounded by Mann Street to the west, Henry Parry Drive to the east, Council services building to the south and existing commercial development to the north.

At the time of the investigation, the eastern half of the site was being used as a Council carpark and was asphalt surfaced (refer Figure 4). In the western half of the site, existing development comprised a large, typically single level, building formerly known as the Gosford Professional Centre (refer Figure 5).

Areas surrounding the existing development were generally grass covered with some concrete footpaths.

Figure 4 – View of the eastern area of the site, looking southwest

Figure 3 – View of the western frontage of the site, looking northeast

Significant cut to fill earthworks have been undertaken at the site to create the carpark area in the east, as well the level building platform in the west. Retaining walls are present along the north-eastern and southern boundaries.

Review of the local topography mapping indicates that surface levels range from about RL 22 m AHD in the south-eastern corner of the site to RL 8 m AHD in the north-western corner of the site

3. Regional Geology and Acid Sulfate Soil Mapping

Reference to the 1:25,000 scale geology map for Gosford indicates that Sites 2 and 3 are mapped as being underlain by the Terrigal Formation belonging to the Gosford Subgroup of the Triassic Aged Narrabeen Group. The Terrigal Formation typically comprises interbedded laminite, shale, fine to coarse grained sandstone, and claystone with residual soils derived from the weathering of these rocks.

Site 1 is mapped as being underlain by Quaternary Alluvium which typically comprises silts, sands, gravels and clays. It is noted, however, that this site is located adjacent to west-facing slopes mapped as the Terrigal Formation.

Reference to the Soil Conservation Service of NSW Acid Sulfate Soil Risk Map indicates that Site 1 is mapped as “Disturbed Soils”, which suggests that the site has been filling / reclaimed during urban development and may comprise acid sulfate soils.

Sites 2 and 3 are mapped as having no known occurrence of acid sulfate soils.

4. Field Work

4.1 Methods

Field work for the investigation was undertaken on 23 and 26 March 2018 and included the drilling of two boreholes (Bores 1 to 6) at each site. The boreholes were drilled using a track mounted drilling rig equipped with continuous flight augers for drilling in soils and diamond rock coring equipment for coring in rock.

The boreholes were advanced 100 mm diameter continuous flight augers with a tungsten carbide (TC) drill bit within soils until competent rock was encountered and refusal was encountered. Selected boreholes were then advanced using NMLC diamond rock coring equipment until the target depth of 8 m was reached.

Standard penetration tests were carried out at nominal 1.5 m depth intervals in soils.

Borehole locations were set out based on directions provided by Council and located onsite with reference to existing site features. The locations of the boreholes are shown on Drawings 1 to 3, included in Appendix A.

Engineering logs of the subsurface conditions encountered in the boreholes were prepared by an engineering geologist who also collected representative samples for identification purposes and subsequent laboratory testing (where required).

4.2 Results

The results of the subsurface investigation are given in the borehole log sheets in Appendix B. The logs should be read in conjunction with the explanatory notes, which define the descriptive terms and classification methods.

The subsurface conditions encountered, including groundwater observations at each site are summarised in Table 1 on the following page.

It should be noted that groundwater levels are variable and can be affected by factors such as soil permeability and recent climatic conditions, and can vary with time. Furthermore, were rock coring was undertaken, groundwater observations within the rock profile was precluded due to the introduction of drilling fluids.

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Table 1: Summary of geotechnical units

Unit	Material Description	Depth Range (m)					
		Site 1		Site 2		Site 3	
		Bore 1	Bore 2	Bore 5	Bore 6	Bore 3	Bore 4
1A	General Filling – Silty or Clayey Sand	0 – 2.4	0 – 3.5	0 – 0.1	-	-	-
1B	Pavement Material – Asphalt overlying gravelly sand roadbase	-	-	-	0 – 0.2	0 – 0.4	0 – 0.3
2	Colluvium – Medium dense Clayey Sand			0.1 – 0.6		0.4 – 1.1	
3	Residual Soil – Firm, very stiff or stronger sandy or silty clay	2.4 – 4.2	3.5 – 5.7	0.6 – 1.3	0.2 – 1.1	1.1 – 3.3	0.3 – 5.65
4A	Sandstone – Very low strength	-	5.7 – 6.2*	-	1.1 – 2.4*	-	-
4B	Sandstone – Low strength or stronger	6 – 6.11, 6.8 – 7.87	-	1.3 – 9.1	-	3.3 – 8.0**	5.65 – 8.8
5A	Siltstone – Very low strength	6.11 – 6.32	-	-	-	-	-
5B	Siltstone – Low strength or stronger	6.32 – 6.8, 7.87 – 9.0	-	-	-	-	-
Termination Depth (m)		9.0	6.2	9.1	2.4	8.0	8.8
Reason for Test Termination (m)		LOI	REF	LOI	LOI	LOI	REF
Depth to Free Ground Water (m)		4.0	2.88	NE	NE	NE	NE

Notes to Table 1:
LOI – limit of investigation
NE – Not Encountered
REF – Auger Refusal
* - indicates inferred strength
** - indicates weaker bands present

5. Laboratory Testing

5.1 Acid Sulfate Soils

To assess for the presence/absence of acid sulfate soils (ASS) at Site 1, samples collected from the boreholes were submitted to Douglas Partners' laboratory for pH screening using a calibrated pH meter for measurement of pH in water (pH_F) and pH following oxidation in hydrogen peroxide (pH_{FOX}).

At the time of the preparation of this draft report, the results of the ASS screening was not available. The results of the testing, and any additional analytical testing (if required), will be provided in the final report.

5.2 Point Load Tests

To assess the strength of the rock core recovered from the boreholes, 38 point load strength index tests were undertaken. The results of the point load index tests are reported on the borehole logs in Appendix B.

In summary, point load index strength values were in the range of 0.1 MPa to 3.49 MPa, reflective of very low to high strengths.

6. Proposed Development

The proposed development will include the construction of the Regional Performing Arts and Conference Centre (RPACC) at one of three sites.

Detailed information regarding the proposed development has not been provided to DP, only that the development is likely to comprise a two level basement carpark, requiring up to 6 m to 7 m of bulk excavation.

Structural loads have not been provided to DP at the time of the preparation of the report.

7. Comments

7.1 Excavation Conditions

At all sites, as summarised in Table 1, the subsurface profile generally comprises soils underlain by sandstone or siltstone bedrock.

Excavation of the soils will be readily excavated using conventional earthmoving plant, such as backhoes, small hydraulic excavators, graders or elevated scrapers. Excavation of the very low strength would require larger plant such as a 20 to 30 tonne excavator fitted with a rock tooth bucket and ripping attachments.

Low strength and stronger bedrock will require rock breaking equipment such as hydraulic rock hammers and rock saws for detailed excavation.

It is important to note that excavatability of rock is dependent not only on rock strength, but also on the presence, orientation and extent of discontinuities such as jointing, bedding and fracturing, the presence of favourable and adverse bedding planes, presence of groundwater and other factors. For example, low strength rock with few discontinuities may be more difficult to excavate than highly fractured, high strength rock.

Experienced contractors should be responsible for selecting excavation equipment based on the proposed excavation depths and equipment capabilities, together with the anticipated conditions detailed herein.

7.2 Batter Slopes

Where sufficient room is available and sufficiently distant from adjacent structures or in-ground services, temporary excavations may be able to be batted or benched. Where excavations are less than 3 m high, then the following temporary batters slopes could be considered:

- Filling, sands and firm clay - 1 (Vertical) to 1.5 (Horizontal);
- Very stiff or stronger clay - 1 V to 1 H;
- Very low strength bedrock - 1 V to 0.75 H; and
- Low strength or stronger bedrock - 1 V to 0.5 H.

Similarly to the above, batter slopes for bedrock would be dependent on bedding and jointing and are subject to further inspection by a geotechnical engineer.

For excavations greater than 3 m, or where groundwater is encountered, it is recommended that positive support in the form of either temporary shoring or retaining walls be provided.

Where excavation is in close proximity to existing structures or in-ground services then positive support should be provided ahead of excavation.

7.3 Retaining Walls

Given the proposed basement excavation and the proximity of adjacent buildings at Sites 2 and 3, it is expected that piled walls would need to be constructed ahead of excavation for these sites.

Furthermore, given the surface levels at Site 3, it is expected that groundwater would be intercepted during excavation and hence the installation of piled walls ahead of excavation would also be beneficial at this site. The basement would also be required to be designed as a tanked or drained basement.

For excavations external to, and independent of, the proposed building, cantilevered walls using soldier piles and timber walers or a concrete cantilevered toe may be appropriate and based on 'active' conditions. Where bracing is required, or where the basement walls are used to retain the bulk excavation (which would be braced by the floor slab of the upper level), the retaining walls should be based on 'at rest' conditions.

Preliminary geotechnical parameters for retaining walls are given in Table 2 below. These should be revisited once further detailed investigation has been carried out and the proposed development is known.

Table 2 – Preliminary Retaining Wall Design Parameters

Founding Strata	Unit Weight (kN/m^3)	Active Earth Pressure (K_a)	Ultimate Passive Earth Pressure (kPa)
Filling or medium dense Silty or Clayey Sand	20	0.3	3.5 (K_p)
Very stiff or stronger Sandy / Silty Clay	20	0.3	200 kPa (drained) or K_p = 2 (undrained)
Very low strength Sandstone / Siltstone	22	0.3	400
At least low strength Sandstone / Siltstone	22	0.25	2000

Notes:

1 The earth pressure design parameters given above are based on the assumption that full drainage will be provided behind the retaining wall so hydrostatic water pressures are not applied.

2 A factor of safety of 2.5 is considered appropriate to convert the passive pressures from ultimate to allowable.

3 The 'active' earth pressure values given in Table 2 should be increased by at least 50% to represent 'at rest' conditions.

Additional allowances should be made for the lateral loads from any future additional surcharge loads above the zone of influence of the retaining wall, which may be taken as being within a plane drawn at 45⌠ from the base of the wall.

Drainage would normally include stripdrain or similar installed at inclined angles between each pair of soldier piles, with outlets at the toe of the wall.

7.4 Footings

Given the anticipated excavation depths (i.e. greater than 6 m), it is expected that at least very low strength siltstone or sandstone bedrock would be encountered at the foundation level.

As such, depending on the structural loads, consideration could be given to high level footings or concrete bored piles.

High level footings founding on at least very low strength siltstone or sandstone could be designed based on an allowable bearing pressure of 700 kPa.

Where concrete bored piles are to be considered, then the preliminary design could be based on the ultimate parameters given in Table 3 below. Confirmation of the geotechnical design parameters should be carried out following further detailed investigation.

Table 3: Preliminary Bored Pile Parameters

Founding Strata	Ultimate Shaft Adhesion (kPa)	Ultimate End Bearing (kPa)
Very low strength Sandstone / Siltstone	100	2000
At least low strength Sandstone / Siltstone	200	3500

A 'geotechnical strength reduction factor' (Φ_g) of 0.4 is recommended for design. A higher geotechnical strength reduction factor may be adopted in the event that pile testing is carried out in accordance with AS2159 (Ref 1).

8. Further Investigation

Due to the preliminary nature of the current investigation, it is recommended that further detailed investigation be carried out once the site and extent of the proposed development has been confirmed.

Further detailed investigation is recommended to consider the following:

- Confirmation and optimisation of the design parameters for retaining walls and footings;
- Groundwater monitoring / modelling for basement design;
- Vibration monitoring; and
- Waste classification of material to be removed from site.

9. References

1. Australian Standard AS 2159 – 2009: *Piling – Design and Installation*, Standards Association of Australia.

10. Limitations

Douglas Partners (DP) has prepared this report (or services) for this project at Gosford in accordance with DP's proposal CCT180103 dated 20 March 2018 and acceptance received from Central Coast Council dated 21 March 2018. The work was carried out under Central Coast Council's Standard Conditions of Contract – Professional Services. This report is provided for the exclusive use of Central Coast Council for this project only and for the purposes as described in the report. It should not be

used by or relied upon for other projects or purposes on the same or other site or by a third party. Any party so relying upon this report beyond its exclusive use and purpose as stated above, and without the express written consent of DP, does so entirely at its own risk and without recourse to DP for any loss or damage. In preparing this report DP has necessarily relied upon information provided by the client and/or their agents.

The results provided in the report are indicative of the sub-surface conditions on the site only at the specific sampling and/or testing locations, and then only to the depths investigated and at the time the work was carried out. Sub-surface conditions can change abruptly due to variable geological processes and also as a result of human influences. Such changes may occur after DP's field testing has been completed.

DP's advice is based upon the conditions encountered during this investigation. The accuracy of the advice provided by DP in this report may be affected by undetected variations in ground conditions across the site between and beyond the sampling and/or testing locations. The advice may also be limited by budget constraints imposed by others or by site accessibility.

This report must be read in conjunction with all of the attached and should be kept in its entirety without separation of individual pages or sections. DP cannot be held responsible for interpretations or conclusions made by others unless they are supported by an expressed statement, interpretation, outcome or conclusion stated in this report.

This report, or sections from this report, should not be used as part of a specification for a project, without review and agreement by DP. This is because this report has been written as advice and opinion rather than instructions for construction.

The contents of this report do not constitute formal design components such as are required, by the Health and Safety Legislation and Regulations, to be included in a Safety Report specifying the hazards likely to be encountered during construction and the controls required to mitigate risk. This design process requires risk assessment to be undertaken, with such assessment being dependent upon factors relating to likelihood of occurrence and consequences of damage to property and to life. This, in turn, requires project data and analysis presently beyond the knowledge and project role respectively of DP. DP may be able, however, to assist the client in carrying out a risk assessment of potential hazards contained in the Comments section of this report, as an extension to the current scope of works, if so requested, and provided that suitable additional information is made available to DP. Any such risk assessment would, however, be necessarily restricted to the geotechnical components set out in this report and to their application by the project designers to project design, construction, maintenance and demolition.

Douglas Partners Pty Ltd

Appendix A

About This Report
Drawings 1 to 3 – Test Location Plans

About this Report

Douglas Partners

Introduction

These notes have been provided to amplify DP's report in regard to classification methods, field procedures and the comments section. Not all are necessarily relevant to all reports.

DP's reports are based on information gained from limited subsurface excavations and sampling, supplemented by knowledge of local geology and experience. For this reason, they must be regarded as interpretive rather than factual documents, limited to some extent by the scope of information on which they rely.

Copyright

Borehole and Test Pit Logs

The borehole and test pit logs presented in this report are an engineering and/or geological interpretation of the subsurface conditions, and their reliability will depend to some extent on frequency of sampling and the method of drilling or excavation. Ideally, continuous undisturbed sampling or core drilling will provide the most reliable assessment, but this is not always practicable or possible to justify on economic grounds. In any case the boreholes and test pits represent only a very small sample of the total subsurface profile.

Interpretation of the information and its application to design and construction should therefore take into account the spacing of boreholes or pits, the frequency of sampling, and the possibility of other than 'straight line' variations between the test locations.

Groundwater

Where groundwater levels are measured in boreholes there are several potential problems, namely:

- In low permeability soils groundwater may enter the hole very slowly or perhaps not at all during the time the hole is left open;
- A localised, perched water table may lead to an erroneous indication of the true water table;
- Water table levels will vary from time to time with seasons or recent weather changes. They may not be the same at the time of construction as are indicated in the report; and
- The use of water or mud as a drilling fluid will mask any groundwater inflow. Water has to be blown out of the hole and drilling mud must first be washed out of the hole if water measurements are to be made.

More reliable measurements can be made by installing standpipes which are read at intervals over several days, or perhaps weeks for low permeability soils. Piezometers, sealed in a particular stratum, may be advisable in low permeability soils or where there may be interference from a perched water table.

Reports

The report has been prepared by qualified personnel, is based on the information obtained from field and laboratory testing, and has been undertaken to current engineering standards of interpretation and analysis. Where the report has been prepared for a specific design proposal, the information and interpretation may not be relevant if the design proposal is changed. If this happens, DP will be pleased to review the report and the sufficiency of the investigation work.

Every care is taken with the report as it relates to interpretation of subsurface conditions, discussion of geotechnical and environmental aspects, and recommendations or suggestions for design and construction. However, DP cannot always anticipate or assume responsibility for:

- Unexpected variations in ground conditions. The potential for this will depend partly on borehole or pit spacing and sampling frequency;
- Changes in policy or interpretations of policy by statutory authorities; or
- The actions of contractors responding to commercial pressures.

If these occur, DP will be pleased to assist with investigations or advice to resolve the matter.

About this Report

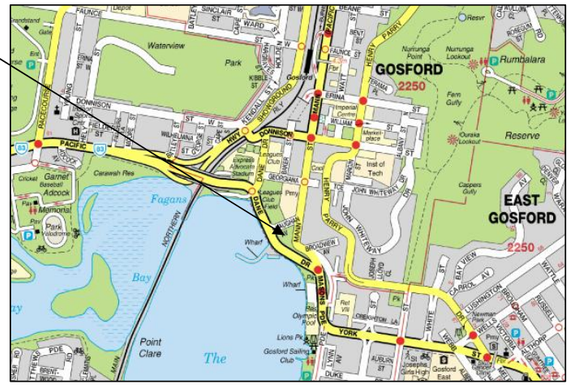
Site Anomalies
In the event that conditions encountered on site during construction appear to vary from those which were expected from the information contained in the report, DP requests that it be immediately notified. Most problems are much more readily resolved when conditions are exposed rather than at some later stage, well after the event.

Information for Contractual Purposes
Where information obtained from this report is provided for tendering purposes, it is recommended that all information, including the written report and discussion, be made available. In circumstances where the discussion or comments section is not relevant to the contractual situation, it may be appropriate to prepare a specially edited document. DP would be pleased to assist in this regard and/or to make additional report copies available for contract purposes at a nominal charge.

Site Inspection
The company will always be pleased to provide engineering inspection services for geotechnical and environmental aspects of work to which this report is related. This could range from a site visit to confirm that conditions exposed are as expected, to full time engineering presence on site.

Notes:
1. Drawing adapted from Google Earth Imagery with Nearmap Photomap overlay

SITE



LOCALITY

Douglas Partners Geotechnics / Environment / Groundwater	CLIENT: Central Coast Council		TITLE: **Test Location Plan – Site 1**	PROJECT No:	83359.00
	OFFICE: Central Coast	DRAWN BY: TDM	**Proposed RPACC**	DRAWING No:	1
	SCALE: As Shown	DATE: 28.03.2018	**Various Locations, Gosford**	REVISION:	0

Notes:
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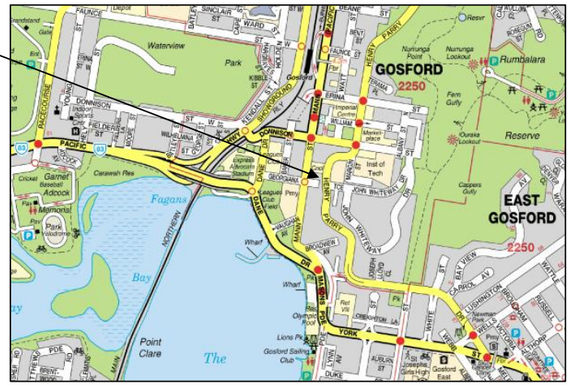

LOCALITY

Douglas Partners Geotechnics / Environment / Groundwater	CLIENT:	Central Coast Council		TITLE:	**Test Location Plan – Site 2** **Proposed RPACC** **Various Locations, Gosford**	PROJECT No:	83359.00
	OFFICE:	Central Coast	DRAWN BY: TDM			DRAWING No:	2
	SCALE:	As Shown	DATE: 28.03.2018			REVISION:	0

Notes:
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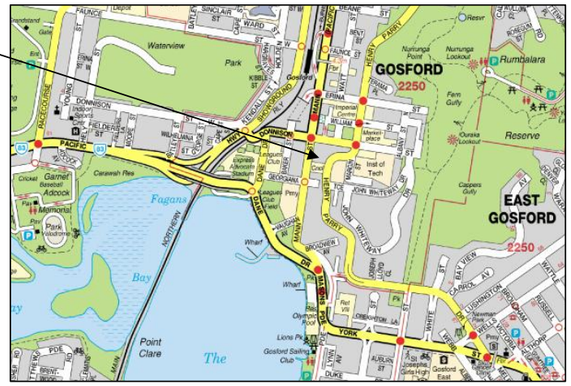

LOCALITY

Douglas Partners Geotechnics / Environment / Groundwater	CLIENT: Central Coast Council		TITLE: **Test Location Plan – Site 3** **Proposed RPACC** **Various Locations, Gosford**	PROJECT No:	83359.00
	OFFICE: Central Coast	DRAWN BY: TDM		DRAWING No:	3
	SCALE: As Shown	DATE: 28.03.2018		REVISION:	0

Appendix B

Sampling Methods
Soil Descriptions
Rock Descriptions
Symbols and Abbreviations
Borehole Logs
Core Photographs

Sampling Methods

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Sampling

Sampling is carried out during drilling or test pitting to allow engineering examination (and laboratory testing where required) of the soil or rock.

Disturbed samples taken during drilling provide information on colour, type, inclusions and, depending upon the degree of disturbance, some information on strength and structure.

Undisturbed samples are taken by pushing a thin-walled sample tube into the soil and withdrawing it to obtain a sample of the soil in a relatively undisturbed state. Such samples yield information on structure and strength, and are necessary for laboratory determination of shear strength and compressibility. Undisturbed sampling is generally effective only in cohesive soils.

Test Pits

Test pits are usually excavated with a backhoe or an excavator, allowing close examination of the in-situ soil if it is safe to enter into the pit. The depth of excavation is limited to about 3 m for a backhoe and up to 6 m for a large excavator. A potential disadvantage of this investigation method is the larger area of disturbance to the site.

Large Diameter Augers

Boreholes can be drilled using a rotating plate or short spiral auger, generally 300 mm or larger in diameter commonly mounted on a standard piling rig. The cuttings are returned to the surface at intervals (generally not more than 0.5 m) and are disturbed but usually unchanged in moisture content. Identification of soil strata is generally much more reliable than with continuous spiral flight augers, and is usually supplemented by occasional undisturbed tube samples.

Continuous Spiral Flight Augers

The borehole is advanced using 90-115 mm diameter continuous spiral flight augers which are withdrawn at intervals to allow sampling or in-situ testing. This is a relatively economical means of drilling in clays and sands above the water table. Samples are returned to the surface, or may be collected after withdrawal of the auger flights, but they are disturbed and may be mixed with soils from the sides of the hole. Information from the drilling (as distinct from specific sampling by SPTs or undisturbed samples) is of relatively low reliability, due to the remoulding, possible mixing or softening of samples by groundwater.

Non-core Rotary Drilling

The borehole is advanced using a rotary bit, with water or drilling mud being pumped down the drill rods and returned up the annulus, carrying the drill cuttings. Only major changes in stratification can be determined from the cuttings, together with some information from the rate of penetration. Where drilling mud is used this can mask the cuttings and reliable identification is only possible from separate sampling such as SPTs.

Continuous Core Drilling

A continuous core sample can be obtained using a diamond tipped core barrel, usually with a 50 mm internal diameter. Provided full core recovery is achieved (which is not always possible in weak rocks and granular soils), this technique provides a very reliable method of investigation.

Standard Penetration Tests

Standard penetration tests (SPT) are used as a means of estimating the density or strength of soils and also of obtaining a relatively undisturbed sample. The test procedure is described in Australian Standard 1289, Methods of Testing Soils for Engineering Purposes - Test 6.3.1.

The test is carried out in a borehole by driving a 50 mm diameter split sample tube under the impact of a 63 kg hammer with a free fall of 760 mm. It is normal for the tube to be driven in three successive 150 mm increments and the 'N' value is taken as the number of blows for the last 300 mm. In dense sands, very hard clays or weak rock, the full 450 mm penetration may not be practicable and the test is discontinued.

The test results are reported in the following form.

- In the case where full penetration is obtained with successive blow counts for each 150 mm of, say, 4, 6 and 7 as:

  4,6,7
  N=13

- In the case where the test is discontinued before the full penetration depth, say after 15 blows for the first 150 mm and 30 blows for the next 40 mm as:

  15, 30/40 mm

Sampling Methods

The results of the SPT tests can be related empirically to the engineering properties of the soils.

Dynamic Cone Penetrometer Tests / Perth Sand Penetrometer Tests

Dynamic penetrometer tests (DCP or PSP) are carried out by driving a steel rod into the ground using a standard weight of hammer falling a specified distance. As the rod penetrates the soil the number of blows required to penetrate each successive 150 mm depth are recorded. Normally there is a depth limitation of 1.2 m, but this may be extended in certain conditions by the use of extension rods. Two types of penetrometer are commonly used.

- Perth sand penetrometer - a 16 mm diameter flat ended rod is driven using a 9 kg hammer dropping 600 mm (AS 1289, Test 6.3.3). This test was developed for testing the density of sands and is mainly used in granular soils and filling.
- Cone penetrometer - a 16 mm diameter rod with a 20 mm diameter cone end is driven using a 9 kg hammer dropping 510 mm (AS 1289, Test 6.3.2). This test was developed initially for pavement subgrade investigations, and correlations of the test results with California Bearing Ratio have been published by various road authorities.

Soil Descriptions

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Description and Classification Methods

The methods of description and classification of soils and rocks used in this report are based on Australian Standard AS 1726-1993, Geotechnical Site Investigations Code. In general, the descriptions include strength or density, colour, structure, soil or rock type and inclusions.

Soil Types

Soil types are described according to the predominant particle size, qualified by the grading of other particles present:

Type	Particle size (mm)
Boulder	>200
Cobble	63 - 200
Gravel	2.36 - 63
Sand	0.075 - 2.36
Silt	0.002 - 0.075
Clay	<0.002

The sand and gravel sizes can be further subdivided as follows:

Type	Particle size (mm)
Coarse gravel	20 - 63
Medium gravel	6 - 20
Fine gravel	2.36 - 6
Coarse sand	0.6 - 2.36
Medium sand	0.2 - 0.6
Fine sand	0.075 - 0.2

The proportions of secondary constituents of soils are described as:

Term	Proportion	Example
And	Specify	Clay (60%) and Sand (40%)
Adjective	20 - 35%	Sandy Clay
Slightly	12 - 20%	Slightly Sandy Clay
With some	5 - 12%	Clay with some sand
With a trace of	0 - 5%	Clay with a trace of sand

Definitions of grading terms used are:

- Well graded - a good representation of all particle sizes
- Poorly graded - an excess or deficiency of particular sizes within the specified range
- Uniformly graded - an excess of a particular particle size
- Gap graded - a deficiency of a particular particle size with the range

Cohesive Soils

Cohesive soils, such as clays, are classified on the basis of undrained shear strength. The strength may be measured by laboratory testing, or estimated by field tests or engineering examination. The strength terms are defined as follows:

Description	Abbreviation	Undrained shear strength (kPa)
Very soft	vs	<12
Soft	s	12 - 25
Firm	f	25 - 50
Stiff	st	50 - 100
Very stiff	vst	100 - 200
Hard	h	>200

Cohesionless Soils

Cohesionless soils, such as clean sands, are classified on the basis of relative density, generally from the results of standard penetration tests (SPT), cone penetration tests (CPT) or dynamic penetrometers (PSP). The relative density terms are given below:

Relative Density	Abbreviation	SPT N value	CPT qc value (MPa)
Very loose	vl	<4	<2
Loose	l	4 - 10	2 -5
Medium dense	md	10 - 30	5 - 15
Dense	d	30 - 50	15 - 25
Very dense	vd	>50	>25

Soil Descriptions

Soil Origin

It is often difficult to accurately determine the origin of a soil. Soils can generally be classified as:

- Residual soil - derived from in-situ weathering of the underlying rock;
- Transported soils - formed somewhere else and transported by nature to the site; or
- Filling - moved by man.

Transported soils may be further subdivided into:

- Alluvium - river deposits
- Lacustrine - lake deposits
- Aeolian - wind deposits
- Littoral - beach deposits
- Estuarine - tidal river deposits
- Talus - scree or coarse colluvium
- Slopewash or Colluvium - transported downslope by gravity assisted by water. Often includes angular rock fragments and boulders.

Rock Descriptions

Douglas Partners

Rock Strength

Rock strength is defined by the Point Load Strength Index ($Is_{(50)}$) and refers to the strength of the rock substance and not the strength of the overall rock mass, which may be considerably weaker due to defects. The test procedure is described by Australian Standard 4133.4.1 - 2007. The terms used to describe rock strength are as follows:

Term	Abbreviation	Point Load Index $Is_{(50)}$ MPa	Approximate Unconfined Compressive Strength MPa*
Extremely low	EL	<0.03	<0.6
Very low	VL	0.03 - 0.1	0.6 - 2
Low	L	0.1 - 0.3	2 - 6
Medium	M	0.3 - 1.0	6 - 20
High	H	1 - 3	20 - 60
Very high	VH	3 - 10	60 - 200
Extremely high	EH	>10	>200

* Assumes a ratio of 20:1 for UCS to $Is_{(50)}$. It should be noted that the UCS to $Is_{(50)}$ ratio varies significantly for different rock types and specific ratios should be determined for each site.

Degree of Weathering

The degree of weathering of rock is classified as follows:

Term	Abbreviation	Description
Extremely weathered	EW	Rock substance has soil properties, i.e. it can be remoulded and classified as a soil but the texture of the original rock is still evident.
Highly weathered	HW	Limonite staining or bleaching affects whole of rock substance and other signs of decomposition are evident. Porosity and strength may be altered as a result of iron leaching or deposition. Colour and strength of original fresh rock is not recognisable
Moderately weathered	MW	Staining and discolouration of rock substance has taken place
Slightly weathered	SW	Rock substance is slightly discoloured but shows little or no change of strength from fresh rock
Fresh stained	Fs	Rock substance unaffected by weathering but staining visible along defects
Fresh	Fr	No signs of decomposition or staining

Degree of Fracturing

The following classification applies to the spacing of natural fractures in diamond drill cores. It includes bedding plane partings, joints and other defects, but excludes drilling breaks.

Term	Description
Fragmented	Fragments of <20 mm
Highly Fractured	Core lengths of 20-40 mm with some fragments
Fractured	Core lengths of 40-200 mm with some shorter and longer sections
Slightly Fractured	Core lengths of 200-1000 mm with some shorter and longer sections
Unbroken	Core lengths mostly > 1000 mm

Rock Descriptions

Rock Quality Designation
The quality of the cored rock can be measured using the Rock Quality Designation (RQD) index, defined as:

$$\text{RQD \%} = \frac{\text{cumulative length of 'sound' core sections} \geq 100 \text{ mm long}}{\text{total drilled length of section being assessed}}$$

where 'sound' rock is assessed to be rock of low strength or better. The RQD applies only to natural fractures. If the core is broken by drilling or handling (i.e. drilling breaks) then the broken pieces are fitted back together and are not included in the calculation of RQD.

Stratification Spacing
For sedimentary rocks the following terms may be used to describe the spacing of bedding partings:

Term	Separation of Stratification Planes
Thinly laminated	< 6 mm
Laminated	6 mm to 20 mm
Very thinly bedded	20 mm to 60 mm
Thinly bedded	60 mm to 0.2 m
Medium bedded	0.2 m to 0.6 m
Thickly bedded	0.6 m to 2 m
Very thickly bedded	> 2 m

Symbols & Abbreviations

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Introduction

These notes summarise abbreviations commonly used on borehole logs and test pit reports.

Drilling or Excavation Methods

C	Core drilling
R	Rotary drilling
SFA	Spiral flight augers
NMLC	Diamond core - 52 mm dia
NQ	Diamond core - 47 mm dia
HQ	Diamond core - 63 mm dia
PQ	Diamond core - 81 mm dia

Water

▷	Water seep
▽	Water level

Sampling and Testing

A	Auger sample
B	Bulk sample
D	Disturbed sample
E	Environmental sample
U_{50}	Undisturbed tube sample (50mm)
W	Water sample
pp	Pocket penetrometer (kPa)
PID	Photo ionisation detector
PL	Point load strength Is(50) MPa
S	Standard Penetration Test
V	Shear vane (kPa)

Description of Defects in Rock

The abbreviated descriptions of the defects should be in the following order: Depth, Type, Orientation, Coating, Shape, Roughness and Other. Drilling and handling breaks are not usually included on the logs.

Defect Type

B	Bedding plane
Cs	Clay seam
Cv	Cleavage
Cz	Crushed zone
Ds	Decomposed seam
F	Fault
J	Joint
Lam	Lamination
Pt	Parting
Sz	Sheared Zone
V	Vein

Orientation

The inclination of defects is always measured from the perpendicular to the core axis.

h	horizontal
v	vertical
sh	sub-horizontal
sv	sub-vertical

Coating or Infilling Term

cln	clean
co	coating
he	healed
inf	infilled
stn	stained
ti	tight
vn	veneer

Coating Descriptor

ca	calcite
cbs	carbonaceous
cly	clay
fe	iron oxide
mn	manganese
slt	silty

Shape

cu	curved
ir	irregular
pl	planar
st	stepped
un	undulating

Roughness

po	polished
ro	rough
sl	slickensided
sm	smooth
vr	very rough

Other

fg	fragmented
bnd	band
qtz	quartz

Symbols & Abbreviations

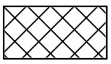
Graphic Symbols for Soil and Rock

General


Asphalt

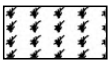

Road base

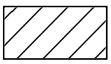

Concrete


Filling

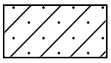
Soils


Topsoil

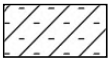

Peat

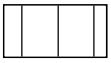

Clay

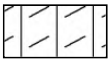

Silty clay

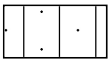

Sandy clay

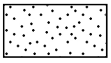

Gravelly clay


Shaly clay

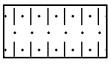

Silt


Clayey silt


Sandy silt

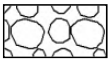

Sand

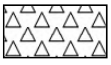

Clayey sand


Silty sand


Gravel


Sandy gravel


Cobbles, boulders

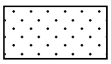

Talus

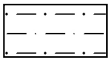
Sedimentary Rocks


Boulder conglomerate

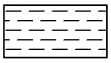

Conglomerate


Conglomeratic sandstone

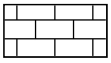

Sandstone


Siltstone

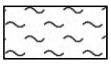

Laminite

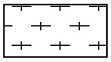

Mudstone, claystone, shale

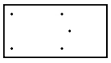

Coal


Limestone

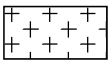
Metamorphic Rocks

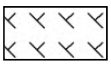

Slate, phyllite, schist

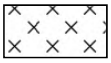

Gneiss

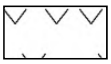

Quartzite

Igneous Rocks


Granite


Dolerite, basalt, andesite


Dacite, epidote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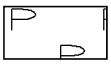

Porphyry

BOREHOLE LOG

CLIENT: Central Coast Council
PROJECT: Proposed RPACC
LOCATION: Various Locations, Gosford

SURFACE LEVEL: 3 AHD
EASTING: 345709
NORTHING: 6299703
DIP/AZIMUTH: 90°/--

BORE No: 1
PROJECT No: 83359.00
DATE: 23/3/2018
SHEET 1 OF 1

RL	Depth (m)	Description of Strata	Degree of Weathering (EW HW MW SW FS FR)	Graphic Log	Rock Strength (Ex Low, Very Low, Low, Medium, High, Very High, Ex High)	Water	Fracture Spacing (m) (0.01, 0.05, 0.10, 0.50, 1.00)	Discontinuities (B - Bedding J - Joint S - Shear F - Fault)	Sampling & In Situ Testing: Type	Core Rec. %	RQD %	Test Results & Comments
3		FILLING: brown silty sand filling, damp							D			
									D			
	0.8	FILLING: red brown and brown clayey sand filling with trace gravel, humid							S			7,5,6 N = 11
2	1.3	FILLING: yellow brown and grey brown mixture of sand and sandy clay filling, humid - trace gravel and some fragment so of building waste (brick and tile)							D			
									D			
	2.4	SANDY CLAY: firm, orange brown and red brown sandy clay with some ironstone gravel, M<Wp							S			2,2,1 N = 3
1									D			
									D			
0		grey and red brown, M>WP from 4.0m depth				▽			S			28/80 refusal
	4.2	SANDSTONE/SILTSTONE: very low strength, highly weathered, light grey interbedded sandstone and siltstone							D			
-1									S			33/50 refusal
									D			
-2	6.0											PL(A) = 2.19 PL(D) = 2.29
	6.11	SANDSTONE: high strength, slightly weathered, grey and orange brown, fine to medium grained sandstone						6.06m: J, 5°, pl, ro, Fe 6.12m: J, 5°, ir, ro, clay lined 6.17m: J, 5°, pl, sm, clay lined				PL(A) = 0.21 PL(D) = 0.3
-3	6.8	SILTSTONE: very low strength, highly weathered, grey, laminated siltstone - low strength, moderately weathered from 6.32m						6.28m: J, 2°, pl, ro, Fe 6.32m: - 6.44m, J, 80-90°, ir, ro, Fe 6.44m: J, 2°, pl, sm 6.45m: - 6.68m, J, 80-90°, ir, ro, Fe 6.68m: J, 10°, un, ro, clay lined	C	100		PL(A) = 1.3 PL(D) = 1.54
		SANDSTONE: high strength, slightly weathered, grey, fine grained sandstone										
-4	7.87	SILTSTONE: high strength, slightly weathered, grey, siltstone						6.75m: J, 2°, pl, ro, clay lined, Fe 7.03m: J, 10°, pl, ro, Fe 7.88m: J, 1°, pl, sm				PL(A) = 1.37 PL(D) = 0.84
-5	9.0	Bore discontinued at 9.0m, limit of invesitgation						8.83m: J, 2°, pl, sm, clay lined				

RIG: Traccess **DRILLER:** S.Kennedy **LOGGED:** M.Harrison **CASING:** 6.0m
TYPE OF BORING: Auger (TC bit) to 6.0m then NMLC rock coring
WATER OBSERVATIONS: Groundwater seepage at 4.0m depth
REMARKS: Surface levels inferred from local topographical mapping and approximate only

SAMPLING & IN SITU TESTING LEGEND

A	Auger sample	G	Gas sample	PID	Photo ionisation detector (ppm)
B	Bulk sample	P	Piston sample	PL(A)	Point load axial test Is(50) (MPa)
BLK	Block sample	U_x	Tube sample (x mm dia.)	PL(D)	Point load diametral test Is(50) (MPa)
C	Core drilling	W	Water sample	pp	Pocket penetrometer (kPa)
D	Disturbed sample	▷	Water seep	S	Standard penetration test
E	Environmental sample	▼	Water level	V	Shear vane (kPa)

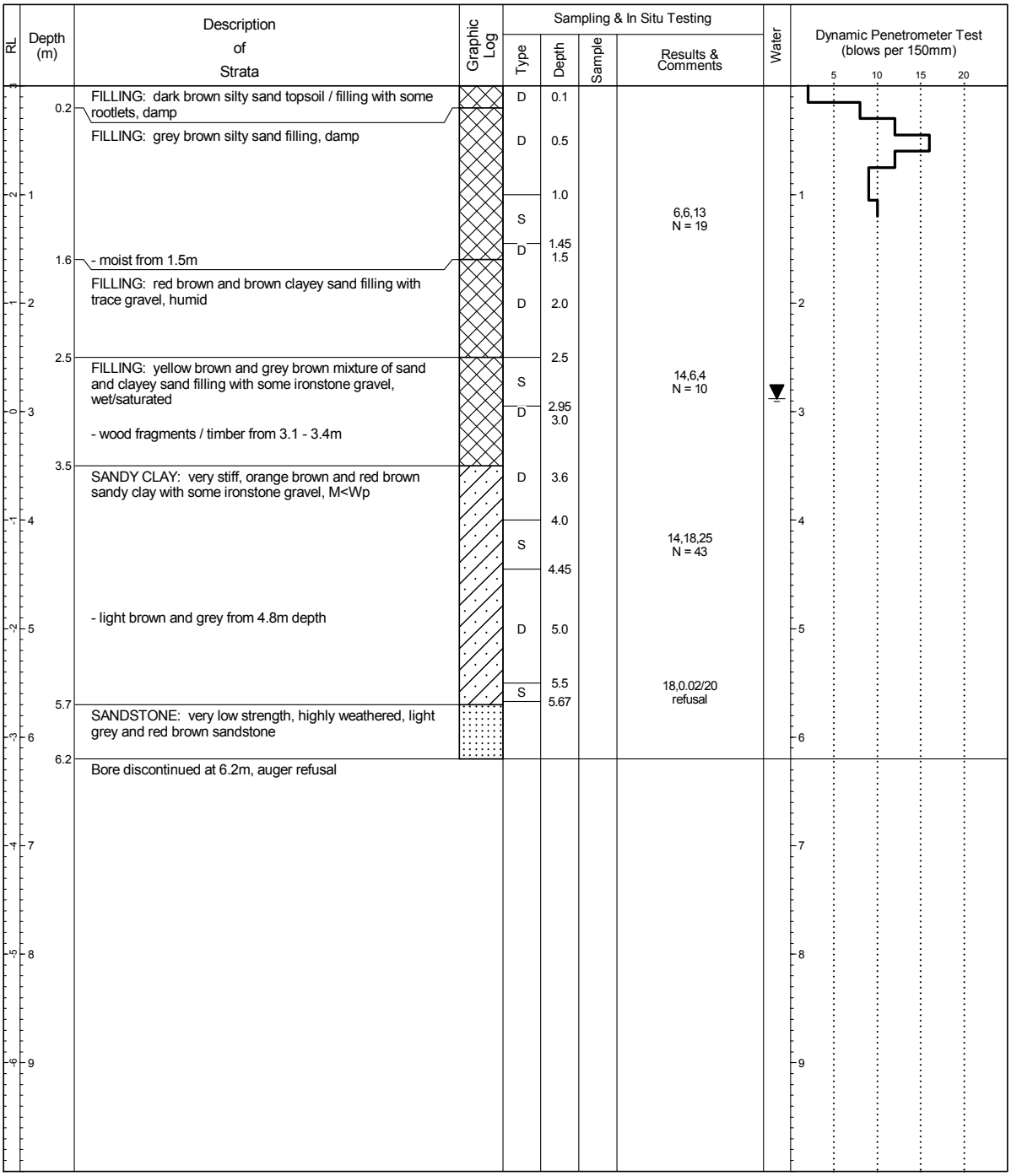
Douglas Partners
Geotechnics / Environment / Groundwater

BOREHOLE LOG

CLIENT: Central Coast Council
PROJECT: Proposed RPACC
LOCATION: Various Locations, Gosford

SURFACE LEVEL: 3 AHD
EASTING: 345679
NORTHING: 6299643
DIP/AZIMUTH: 90°/--

BORE No: 2
PROJECT No: 83359.00
DATE: 23/3/2018
SHEET 1 OF 1



RIG: Traccess **DRILLER:** S.Kennedy **LOGGED:** M.Harrison **CASING:**

TYPE OF BORING: Auger (TC bit) to 6.2m depth

WATER OBSERVATIONS: Free groundwater observed at 2.88m depth

REMARKS: Surface levels inferred from local topographical mapping and approximate only

☐ Sand Penetrometer AS1289.6.3.3
☐ Cone Penetrometer AS1289.6.3.2

SAMPLING & IN SITU TESTING LEGEND

A	Auger sample	G	Gas sample	PID	Photo ionisation detector (ppm)
B	Bulk sample	P	Piston sample	PL(A)	Point load axial test Is(50) (MPa)
BLK	Block sample	U_x	Tube sample (x mm dia.)	PL(D)	Point load diametral test Is(50) (MPa)
C	Core drilling	W	Water sample	pp	Pocket penetrometer (kPa)
D	Disturbed sample	▷	Water seep	S	Standard penetration test
E	Environmental sample	▼	Water level	V	Shear vane (kPa)

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BOREHOLE LOG

CLIENT: Central Coast Council
PROJECT: Proposed RPACC
LOCATION: Various Locations, Gosford

SURFACE LEVEL: 17.0 AHD
EASTING: 345914
NORTHING: 6300033
DIP/AZIMUTH: 90°/--

BORE No: 3
PROJECT No: 83359.00
DATE: 23/3/2018
SHEET 1 OF 1

RL	Depth (m)	Description of Strata	Degree of Weathering (EW HW MW SW FS FR)	Graphic Log	Rock Strength (Ex Low, Very Low, Low, Medium, High, Very High, Ex High)	Water	Fracture Spacing (m) (0.01, 0.05, 0.10, 0.50, 1.00)	Discontinuities (B - Bedding J - Joint S - Shear F - Fault)	Sampling & In Situ Testing: Type	Core Rec. %	RQD %	Test Results & Comments
17	0.06	ASPHALT										
	0.4	FILLING: Orange brown gravelly sand roadbase filling, humid										
16	1.1	CLAYEY SAND: medium dense, orange brown and red brown clayey sand, humid										
		SANDY CLAY: very stiff to hard, red and grey brown sandy clay, M<WP							S			5,5,11 N = 16
15	2											
		- grading into weathered sandstone from 2.5m depth							S			pp >400 27,21 refusal
14	3											
	3.3	SANDSTONE: low to medium strength, moderatley weathered, grey and red brown, fine to medium grained sandstone						3.4m: Fe gravel				PL(A) = 0.08 PL(D) = 0.1
13	4								C	100		
		- some pebble inclusions from 4.4 - 4.7m						4.23m: J, 45°, pl, ro, clay lined 4.28m: J, 10°, pl, ro 4.45m: J, 60°, pl, ro, clay filled				PL(A) = 1.33 PL(D) = 0.74
12	5							4.55m: J, 10°, pl, ro 4.57m: J (cl), 10°, pl 4.93m: J, 60°, pl, ro				
		- pebbly from 5.15 - 5.23m						5.28m: J, 45°, pl, ro 5.35m: J, 45°, pl, ro				PL(A) = 0.75 PL(D) = 0.24
11	6							5.67m: -5.74m, closely spaced J's, 10°-20°, pl, ro				
									C	100		PL(A) = 0.23 PL(D) = 0.3
10	7							6.57m: J, 5°, pl, ro 6.7m: J, 45°, pl, clay filled 6.74m: J, 5°, pl, ro 6.79m: J, 45°, pl, ro 6.84m: J, 5°, pl, clay filled 6.95m: -7.3m, multiple J's, 70°-85°, pl, clay filled, spaced 100mm				
9	8											
	8.0	Bore discontinued at 8.0m, limit of invesitgation										
8	9											

RIG: Traccess **DRILLER:** S.Kennedy **LOGGED:** M.Harrison **CASING:** 3.3m
TYPE OF BORING: Auger (TC bit) to 3.3m then NMLC rock coring
WATER OBSERVATIONS: No free groundwater observed
REMARKS: Surface levels inferred from local topographical mapping and approximate only

SAMPLING & IN SITU TESTING LEGEND

A	Auger sample	G	Gas sample	PID	Photo ionisation detector (ppm)
B	Bulk sample	P	Piston sample	PL(A)	Point load axial test Is(50) (MPa)
BLK	Block sample	U_x	Tube sample (x mm dia.)	PL(D)	Point load diametral test Is(50) (MPa)
C	Core drilling	W	Water sample	pp	Pocket penetrometer (kPa)
D	Disturbed sample	▷	Water seep	S	Standard penetration test
E	Environmental sample	▼	Water level	V	Shear vane (kPa)

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BOREHOLE LOG

CLIENT: Central Coast Council
PROJECT: Proposed RPACC
LOCATION: Various Locations, Gosford

SURFACE LEVEL: 9.0 AHD
EASTING: 345827
NORTHING: 6300033
DIP/AZIMUTH: 90°/--

BORE No: 4
PROJECT No: 83359.00
DATE: 26/3/2018
SHEET 1 OF 1

RL	Depth (m)	Description of Strata	Degree of Weathering (EW HW MW SW FS FR)	Graphic Log	Rock Strength (Ex Low, Very Low, Low, Medium, High, Very High, Ex High)	Water	Fracture Spacing (m) (0.01, 0.05, 0.10, 0.50, 1.00)	Discontinuities (B - Bedding J - Joint S - Shear F - Fault)	Sampling & In Situ Testing: Type	Core Rec. %	RQD %	Test Results & Comments
9	0.05	ASPHALT							D			
	0.1	FILLING: dark grey gravelly sand roadbase filling, humid										
	0.3	FILLING: grey brown gravelly sand roadbase filling, humid							D			
8	1	SANDY CLAY: stiff, yellow brown and grey brown sandy clay, M<WP							S			pp = 290-300 4,7,10 N = 17
		- red brown from 1.3m							D			
7	2	- grey and red brown from 2.0m							D			
									S			pp = 390-500 9,9,13 N = 22
	2.8	SILTY CLAY: very stiff to hard, light grey and red brown silty clay with some iron cemented bands M<Wp							D			
6	3											
5	4								D			
									S			pp >400 11,16,25 N = 41
4	5								C	100		
	5.65	SANDSTONE: low strength, moderately to highly weathered, grey and red brown, fine grained sandstone						5.65m: -6.07m. mulitple J's, 10°-45°, pl, ro, clay filled, 50-100mm spacing				PL(A) = 0.06 PL(D) = 0.06
3	6	- medium strength, moderately weathered from 6.07m - high to very high strength, medium to coarse grained with some pebbly zones from 6.36 - 7.1m						6.52m: J, 10°, pl, ro 6.65m: J (cl), 80°-90°, pl, Fe 6.68m: J, 10°, pl, ro 7m: clay seam, 50mm 7.07m: J, 15°, pl, ro 7.1m: J, 10°, pl, clay filled 7.14m: -7.22m, thinly laminated	C	100		PL(A) = 0.86 PL(D) = 0.86 PL(A) = 2.63 PL(D) = 2.63
2	7	- slightly to moderately weathered from 7.3m						7.48m: J, 60°, pl, ro, Fe 7.96m: J, 15°, pl, ro, Fe 7.98m: J (cl), 5°, pl, Fe 8.19m: J, 10°, pl, ro 8.33m: pebble inclusion 8.62m: J, 5°, pl, ro, Fe		100		PL(A) = 0.54 PL(D) = 0.54 PL(A) = 0.21 PL(D) = 0.21
1	8											
	8.8	Bore discontinued at 8.8m, limit of invesitgation										
0	9											

RIG: Traccess **DRILLER:** S.Kennedy **LOGGED:** M.Harrison **CASING:** 4.8m
TYPE OF BORING: Auger (TC bit) to 4.8m then NMLC rock coring
WATER OBSERVATIONS: No free groundwater observed
REMARKS: Surface levels inferred from local topographical mapping and approximate only

SAMPLING & IN SITU TESTING LEGEND

A	Auger sample	G	Gas sample	PID	Photo ionisation detector (ppm)
B	Bulk sample	P	Piston sample	PL(A)	Point load axial test Is(50) (MPa)
BLK	Block sample	U_x	Tube sample (x mm dia.)	PL(D)	Point load diametral test Is(50) (MPa)
C	Core drilling	W	Water sample	pp	Pocket penetrometer (kPa)
D	Disturbed sample	▷	Water seep	S	Standard penetration test
E	Environmental sample	▼	Water level	V	Shear vane (kPa)

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BOREHOLE LOG

CLIENT: Central Coast Council
PROJECT: Proposed RPACC
LOCATION: Various Locations, Gosford

SURFACE LEVEL: 22.0 AHD
EASTING: 345863
NORTHING: 6299935
DIP/AZIMUTH: 90°/--

BORE No: 5
PROJECT No: 83359.00
DATE: 26/3/2018
SHEET 1 OF 1

RL	Depth (m)	Description of Strata	Degree of Weathering (EW HW MW SW FS FR)	Graphic Log	Rock Strength (Ex Low, Very Low, Low, Medium, High, Very High, Ex High)	Water	Fracture Spacing (m) (0.01, 0.05, 0.10, 0.50, 1.00)	Discontinuities (B - Bedding J - Joint S - Shear F - Fault)	Sampling & In Situ Testing: Type	Core Rec. %	RQD %	Test Results & Comments
22	0.1	TOPSOIL: brown silty sand topsoil with abundant rootlets, humid							D			
	0.6	CLAYEY SAND: medium dense, orange brown and grey clayey sand, damp							D			
21	1	SANDY CLAY: very stiff, orange brown sandy clay, M<WP							S			pp = 320-350 8,12/55 refusal
	1.3	SANDSTONE: low to medium strength, moderatley to highly weathered, grey and orange/red brown, fine to medium grained sandstone						1.5m: J, 45°, pl, ro 1.57m: J, 5°, pl, ro 1.7m: J, 5°, pl, ro 1.87m: J, 30°, pl, ro	C	100		PL(A) = 0.5 PL(D) = 0.33
20	2							2.2m: J, 80°, pl, clay filled 2.27m: J, 60°, pl, ro 2.56m: -3.16m, multiple J's, 10°-45°, pl, ro				PL(A) = 0.19 PL(D) = 0.17
19	3	- medium to high strength, slightly weathered from 3m										
								3.58m: J, 40°, pl, ro				
18	4							3.94m: J, 30°, pl, ro				PL(A) = 1.1 PL(D) = 1.14
									C	100		
17	5											
								>>				
16	6											PL(A) = 0.95 PL(D) = 1.01
15	7											
								7.54m: J, 45°, pl, ro 7.61m: J, 20°, pl, ro 7.77m: -8.23m, multiple J's, 5°-60°, pl, ro, 50-70mm spacing	C	100		PL(A) = 0.47 PL(D) = 0.72
14	8	- moderately weathered from 7.9 - 8.6m										
		- low strength, from 8.6m						8.39m: -8.43m, multiple J's, 5°-45°, pl, ro (or cl), 10-20mm spacing				
13	9							8.9m: J, 70°, pl, ro 8.96m: J, 20°, pl, ro				PL(A) = 0.21 PL(D) = 0.09
	9.1	Bore discontinued at 9.1m, limit of invesitgation										

RIG: Traccess **DRILLER:** S.Kennedy **LOGGED:** M.Harrison **CASING:** 1.3m
TYPE OF BORING: Auger (TC bit) to 1.3m then NMLC rock coring
WATER OBSERVATIONS: No free groundwater observed
REMARKS: Surface levels inferred from local topographical mapping and approximate only

SAMPLING & IN SITU TESTING LEGEND

A	Auger sample	G	Gas sample	PID	Photo ionisation detector (ppm)
B	Bulk sample	P	Piston sample	PL(A)	Point load axial test Is(50) (MPa)
BLK	Block sample	U_x	Tube sample (x mm dia.)	PL(D)	Point load diametral test Is(50) (MPa)
C	Core drilling	W	Water sample	pp	Pocket penetrometer (kPa)
D	Disturbed sample	▷	Water seep	S	Standard penetration test
E	Environmental sample	▼	Water level	V	Shear vane (kPa)

Douglas Partners
Geotechnics / Environment / Groundwater

BOREHOLE LOG

CLIENT: Central Coast Council
PROJECT: Proposed RPACC
LOCATION: Various Locations, Gosford

SURFACE LEVEL: 25.0 AHD
EASTING: 345890
NORTHING: 6299945
DIP/AZIMUTH: 90°/--

BORE No: 6
PROJECT No: 83359.00
DATE: 26/3/2018
SHEET 1 OF 1

RL	Depth (m)	Description of Strata	Graphic Log	Sampling & In Situ Testing: Type	Depth	Sample	Results & Comments	Water	Well Construction Details
25	0.05	ASPHALT		D	0.1				
	0.2	FILLING: light yellow brown sand filling with some gravel, humid		D	0.5				
24	1	SANDY CLAY: very stiff, orange and red brown sandy clay, M<WP							
	1.1	SANDSTONE: very low strength, highly weathered, yellow and red brown, fine to medium grained sandstone		S	1.0 1.15		40 refusal		
23	2			D	2.0				
	2.4	Bore discontinued at 2.4m, auger refusal							
22	3								
21	4								
20	5								
19	6								
18	7								
17	8								
16	9								

RIG: Traccess **DRILLER:** S.Kennedy **LOGGED:** M.Harrison **CASING:**
TYPE OF BORING: Auger (TC bit) to 2.4m depth
WATER OBSERVATIONS: No free groundwater observed
REMARKS: Surface levels inferred from local topographical mapping and approximate only

SAMPLING & IN SITU TESTING LEGEND

A	Auger sample	G	Gas sample	PID	Photo ionisation detector (ppm)
B	Bulk sample	P	Piston sample	PL(A)	Point load axial test Is(50) (MPa)
BLK	Block sample	U_x	Tube sample (x mm dia.)	PL(D)	Point load diametral test Is(50) (MPa)
C	Core drilling	W	Water sample	pp	Pocket penetrometer (kPa)
D	Disturbed sample	▷	Water seep	S	Standard penetration test
E	Environmental sample	▼	Water level	V	Shear vane (kPa)

Douglas Partners
Geotechnics / Environment / Groundwater

DOUGLAS PARTNERS PTY LTD
Proposed RPACC
BORE 1 PROJECT 83359.00 23 March 2018

6.0 m – 9.0m

DOUGLAS PARTNERS PTY LTD
Proposed RPACC
BORE 3 PROJECT 83359.00 23 March 2018

3.3 m – 8.0 m

CLIENT:	Central Coast Council	TITLE:	**Core Photographs Proposed RPACC Various Locations, Gosford**				
PROJECT No:	83359.00						
OFFICE:	Central Coast						
Douglas Partners Geotechnics / Environment / Groundwater		DATE:	28/03/2018	DRAWN BY:	TDM	BORE No:	1 & 3
		SCALE:	As shown	PLATE No:	1	REVISION:	0

DOUGLAS PARTNERS PTY LTD
Proposed RPACC
BORE 4 PROJECT 83359.00 26 March 2018

4.8 m – 8.8m

DOUGLAS PARTNERS PTY LTD
Proposed RPACC
BORE 5 PROJECT 83359.00 26 March 2018

1.3 m – 9.1 m

CLIENT:	Central Coast Council	TITLE:	**Core Photographs** **Proposed RPACC** **Various Locations, Gosford**				
PROJECT No:	83359.00						
OFFICE:	Central Coast						
Douglas Partners Geotechnics / Environment / Groundwater		DATE:	28/03/2018	DRAWN BY:	TDM	BORE No:	4 & 5
		SCALE:	As shown	PLATE No:	2	REVISION:	0

Appendix C

Results of Laboratory Testing
(to be included in final report)

Annexure 3 Coffey Suspected Asbestos and Hazardous Materials 59 – 71 Mann Street Gosford

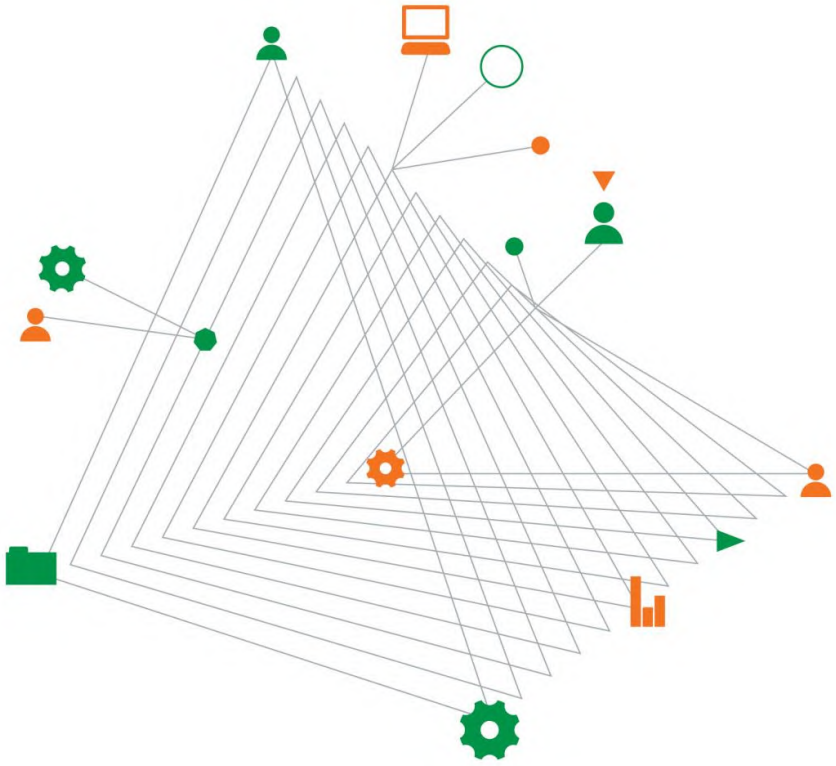
coffey
A TETRA TECH COMPANY

Central Coast Council

Suspected Asbestos and Hazardous Materials Report

59 – 71 Mann Street, Gosford, NSW 2250

17 April 2020



Experience comes to life when it is powered by expertise

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Suspected Asbestos and Hazardous Materials Report

Prepared for
Central Coast Council

Prepared by
Coffey Services Australia Pty Ltd
Level 19, Tower B, 799 Pacific Highway
Chatswood NSW 2067 Australia
t: +61 2 9406 1000 f: +61 2 9406 1002
ABN: 55 139 460 521

17 April 2020

754-SYDEN273584

Quality information

Table of contents

Appendix

1 Overview

1.1. Document Purpose

This Suspected Asbestos and Hazardous Materials Report is to be used as a bridging document for 59 – 71 Mann Street, Gosford, NSW 2250, until the premise can be made safely accessible for an intrusive pre-demolition asbestos and hazardous materials assessment to be undertaken.

This document is to be held at the workplace and in the Premise's Property File and must be used as a temporary substitute for an asbestos register as required in accordance with NSW *Work Health and Safety Regulation,* 2017 and the NSW Code of Practice *How to Manage and Control Asbestos in the Workplace* (2019).

This document is to be available for reference by the following:

- Authorised Work Cover Inspectors;
- Property owners;
- Employers and workers;
- People intending to conduct business at the premises; and
- Health and Safety Representatives.

Should a contractor or service person handle, replace or carry out works that may disturb any material onsite prior to an asbestos and hazardous materials assessment being undertaken, the material must be considered an asbestos containing material (ACM) and/or a hazardous material and there must be compliance with all workplace regulations and procedures covering the handling of such materials.

The suspected materials and associated recommendations detailed in this report are limited to industry knowledge of materials in similar aged buildings and cannot be regarded as absolute without extensive site inspections.

The desktop nature of this assessment will not abrogate a person of their responsibility to work in accordance with Statutory Requirements, Codes of Practice, Guidelines, Material Safety Data Sheets, Work Instructions or reasonable work practices.

1.2. Inspection and Review Requirements

In accordance to Work Health and Safety Regulation 2017, for any building complete prior to December 2003, the person with management or control of that workplace (PCBU) must, so far as is reasonably practicable, identify all asbestos. That is, the person with management or control of a workplace (PCBU) must identify ACM and produce an asbestos register with details of the location, form, type and condition of the asbestos.

There is no mandatory format for the asbestos register. However, it must be current and include the following information:

- Location of the ACM;
- Likely source of unfixed or uninstalled asbestos;
- Type of ACM;
- Whether the asbestos is friable or non-friable;
- Conditions of the ACM;

- Whether the ACM is likely to be damaged or disturbed;
- Details of all inaccessible areas likely to contain ACM;
- Detailed information about activities carried out in the workplace that are likely to disturb the ACM;
- Dates when the identification and risk assessments were done; and
- It is suggested the register also contain a copy of all reports of analysis of samples conducted by NATA-approved laboratories.

The asbestos register must be kept current by including:

- Details of the condition of the ACM such as damage or deterioration;
- Details of removal or encapsulation of the ACM; and
- Details of recent identified ACM's not previously identified in the original audit.

The asbestos register must be maintained and updated under the following circumstances:

- If the AMP is under review;
- If further ACM is identified at the premises;
- If ACM is removed or encapsulated; and or
- If the condition of the ACM changes i.e. by being damaged physically or by weathering.

As per the Code of Practice and the WHS Regulation, all buildings constructed prior to December 2003, must have a current, valid AMP for that specific premises. The AMP is on overarching management tool for the ongoing management of asbestos within the building. This document contains information that would be included in the AMP for the site but is not the AMP as there are no tailored recommendations to existing ACM.

Coffey strongly advises that the above documents are prepared as soon as the premise can be made safely accessible for an intrusive pre-demolitions asbestos and hazardous materials assessment to be undertaken

2. Introduction

Coffey Services Australia Pty Ltd (Coffey) was commissioned by Central Coast Council to prepare a document detailing ACM that is likely to occur at 59 – 71 Mann Street, Gosford, NSW 2250.

Due to the current health and safety hazards on site, no field based asbestos and hazardous materials inspection was able to be undertaken. Therefore, this report relies on industry knowledge and experience of Coffey's consultants in predicting the materials that may be present in a building of this age.

The objective of this report is to anticipate the presence of asbestos and other hazardous materials within the site which could potentially be impacted by future refurbishment or demolition works, and provide general management recommendations for the suspected asbestos and hazardous materials.

2.1. Scope

The scope of work required Coffey to anticipate the presence of the following;

- Asbestos Containing Materials (ACM);
- Lead Based Paint systems (LBP);

- Lead Containing Dust (LCD);
- Synthetic Mineral Fibre (SMF) materials;
- Ozone Depleting Substances (ODS); and
- Polychlorinated Biphenyls (PCB) containing capacitors in electrical fittings.

2.2. Legislative Requirements

This report has been prepared in accordance with NSW *Work Health and Safety Regulation,* 2017 and the NSW Code of Practice *How to Manage and Control Asbestos in the Workplace* (2019).

3. Statement of Limitations

Coffey has conducted a desktop assessment concerning the environmental status of the property which is the subject of this report and has prepared this report on the basis of that evaluation.

The work was conducted, and the report has been prepared, in response to specific instructions from the client to whom this report is addressed, within the time and budgetary requirements of the client, and in reliance on certain data and information made available to Coffey. The analyses, evaluations, opinions and conclusions presented in this report are based on those instructions, requirements, data or information, and they could change if such instructions etc. are in fact inaccurate or incomplete.

The Client must not rely on this report as accurately indicating the presence and extent of asbestos and hazardous materials in the building. All that the report can be relied upon is to show is what may be encountered during a site inspection.

4. Site Description

The site consists of a number of council owned buildings located on Mann Street, Gosford, NSW 2250, as shown highlighted in the figure below:

5. Suspected Asbestos and Hazardous Materials

5.1. Asbestos Containing Materials

The following section provides an overview of asbestos containing materials that are considered likely and/or suspected to be present.

Fibre Cement Sheeting – flat, cement sheet material that is applied as eaves, awnings, infill panels above windows and doors, cladding, wall lining, ceiling lining, wet walls to bathrooms, etc. This is the most commonly occurring asbestos product.

Fibre Cement Sheeting Debris – small, broken pieces of fibre cement sheet scattered to ground or underfloor surfaces. Also observed as packers.

Moulded Asbestos Cement – moulded cement applied as pipework, roofing, toilet cisterns, and communication pits.

Window Caulking –sealant to exterior or interior of windows.

Mastic – range of adhesive and sealant products for miscellaneous applications such as building joins, sink connections, gap fill, etc

Vinyl Flooring – floor covering material in two forms; vinyl tiles and vinyl sheet.

Fire Doors – door core insulation, often associated with plant rooms and fire hazards.

Lagging – thermal insulation of pipes, boilers, pressure vessels, calorifiers etc.

Spayed coatings – Fire protection on steel and reinforced concrete beams/columns and on underside of floors. Also, seen as decorative ceiling texture.

Millboard – low density board material used for insulation of electrical equipment and plant.

Gaskets – applied to pipework and plant equipment.

Bituminous sheeting – applied as waterproofing membrane to roofs and under cool rooms.

Electrical Backing Boards – Bituminous backing panels to electrical switchboards.

HRC Fuses – Insulation lining within fuses to electrical switchboards.

The following photos show examples of the above described asbestos materials and where they may occur in-situ.

Photo 1: Example of asbestos containing fibre cement sheeting eaves.

Photo 2: Example of asbestos containing fibre cement sheeting awning.

Photo 3: Example of asbestos containing fibre cement sheeting infill panels

Photo 4: Example of asbestos containing fibre cement sheeting wall lining.

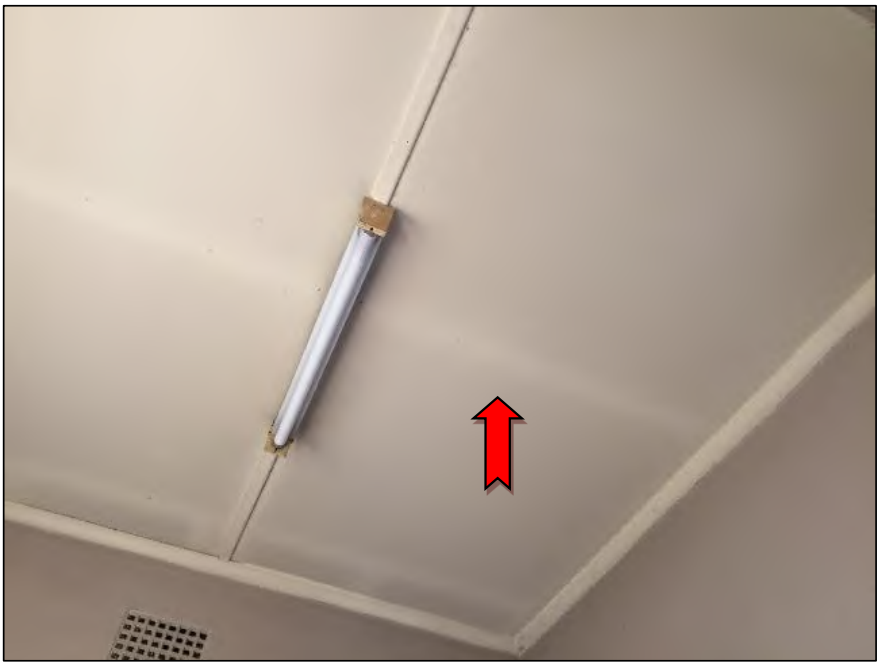

Photo 5: Example of asbestos containing fibre cement sheeting ceiling lining.

Photo 6: Example of asbestos containing fibre cement sheeting debris.

Photo 7: Example of asbestos containing fibre cement sheeting packers.

Photo 8: Example of asbestos containing moulded cement pipework.

Photo 9: Example of asbestos containing moulded cement telecommunications pit.

Photo 10: Example of asbestos containing interior window caulking.

Photo 11: Example of asbestos containing exterior window caulking.

Photo 12: Example of asbestos containing vinyl flooring tiles.

Photo 13: Example of asbestos containing vinyl flooring sheet.

Photo 14: Example of asbestos containing fire doors.

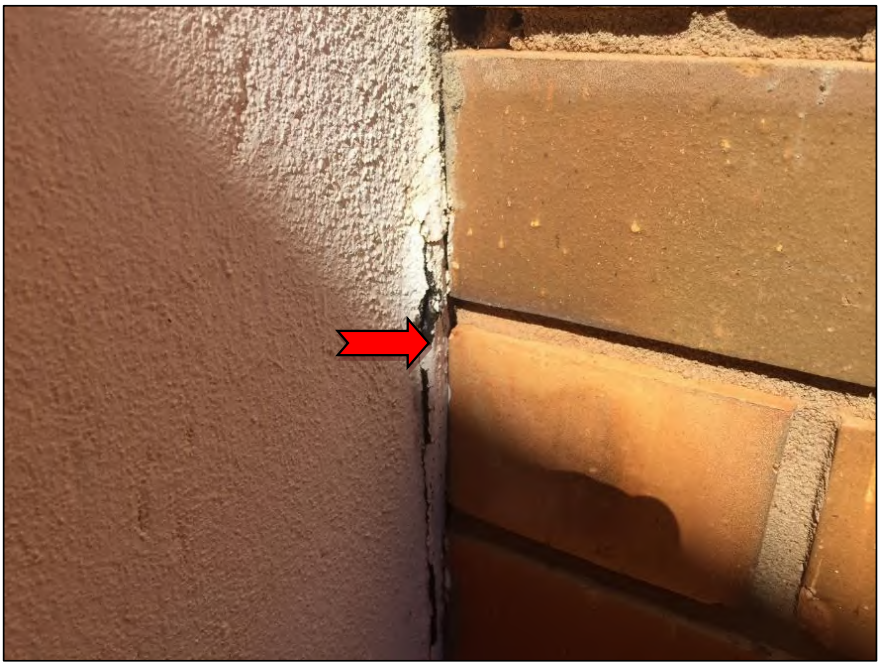

Photo 15: Example of asbestos containing building join mastic.

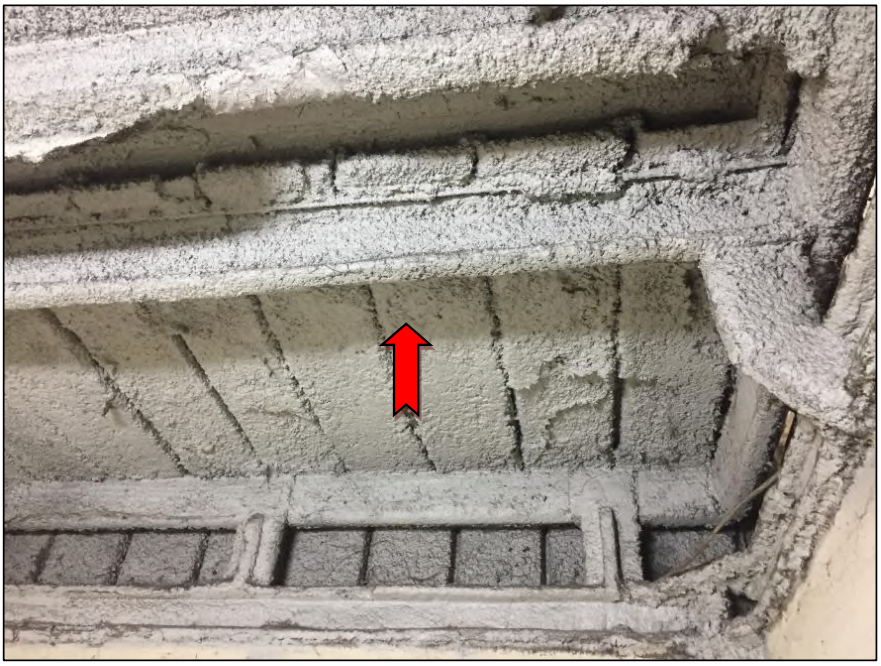

Photo 16: Example of asbestos containing sprayed coating.

Photo 17: Example of asbestos containing gaskets.

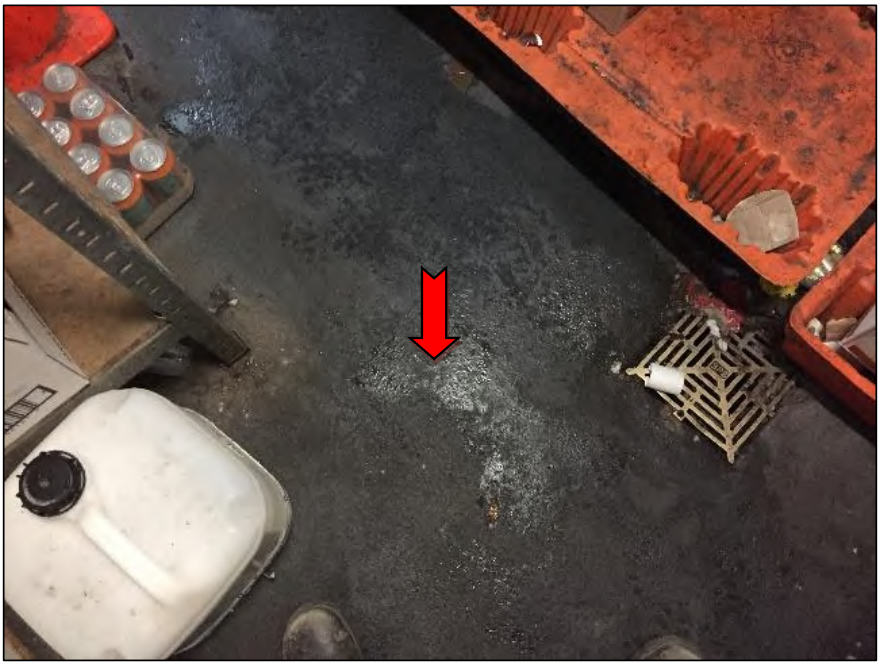

Photo 18: Example of asbestos containing bituminous membrane.

Photo 19: Example of asbestos containing bituminous board.

Photo 20: Example of asbestos containing HRC fuses.

5.2. Lead Based Paint Systems

Lead based paints considered likely and/or suspected to be present both internally and externally. Lead based paints are any paints with a lead content greater than 0.1%w/w as per Australian Standard (AS4361.2);2017, *Guide to Hazardous Paint Management Part 2: Lead paint in residential, public and commercial buildings.*

The following photos show examples of lead paint in poor and good condition.

Photo 21: Example of lead based paint in poor, flaking condition, requiring management.

Photo 22: Example of lead based paint in good, sealed condition, not requiring management.

5.3. Lead Containing Dust

Lead containing dust is considered likely and/or suspected to be present in ceiling cavities and other areas that may contain legacy dust. Legacy dust occurs in areas that are not occupied or cleaned over the course of many years, such as a plant room. Lead containing dust is also subject to Australian Standard (AS4361.2);2017, *Guide to Hazardous Paint Management Part 2: Lead paint in residential, public and commercial buildings.*

The following photos show examples of lead containing dust and where they may occur.

Photo 23: Example of lead containing dust in a ceiling cavity.

Photo 24: Example of lead containing dust in a non-occupied area (plant room).

5.4. Synthetic Mineral Fibres

The following section provides an overview of Synthetic Mineral Fibres materials that are considered likely and/or suspected to be present.

Batting – insulation material within walls and ceiling cavities.

Roof Sarking – insulation material to roof structure, often foil lined.

Ductwork – internal insulation lining to tube, steel or mechanical ductwork systems.

Hot Water Units – internal insulation to hot water units.

Suspended Ceiling Tiles – tiles containing SMF acoustic insulation.

The following photos show examples of the above described SMF materials and where they may occur in-situ.

Photo 25: Example of SMF insulation batting

Photo 27: Example of SMF insulation roof sarking

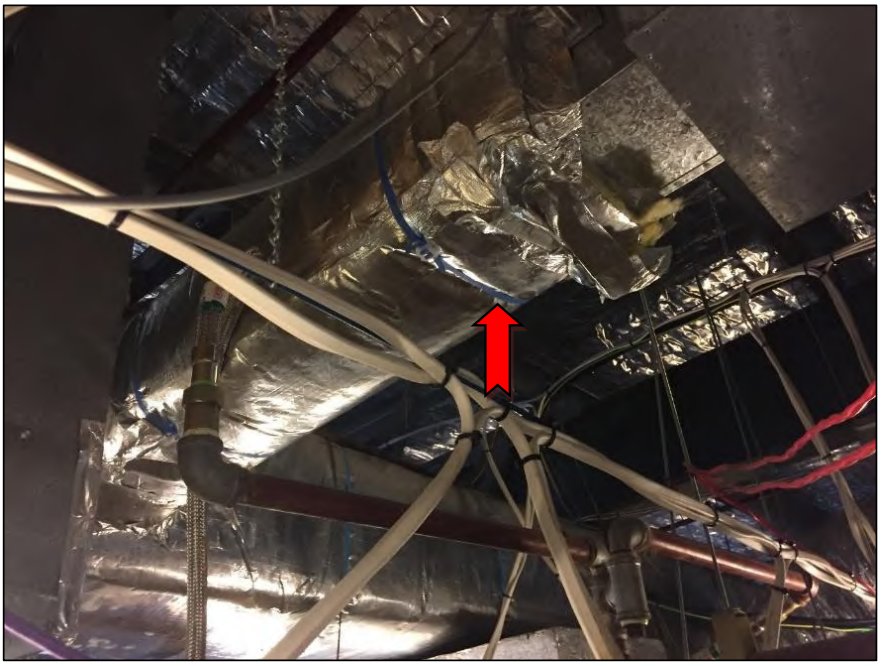

Photo 28: Example of ductwork containing SMF insulation

Photo 29: Example of Hot Water Unit containing SMF

Photo 30: Example of suspended ceiling tiles containing SMF

5.5. Ozone Depleting Substances

Ozone Depleting Substances are considered likely and/or suspected to be present in air conditioning units and chillers throughout the site. These often comes in the forms of **chlorofluorocarbons** (**CFCs**) and **hydrochlorofluorocarbons** (**HCFCs**), such as the refrigerant R22, as per the Ozone Protection and Synthetic Greenhouse Gas Management Amendment Regulation 2012.

The following photos show examples of air conditioning units and where they may occur in-situ.

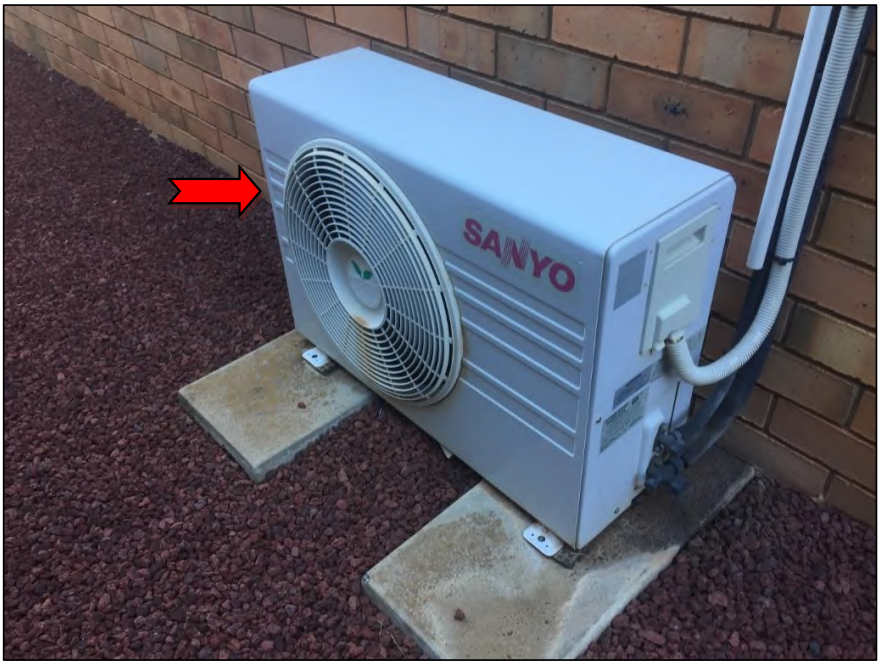

Photo 31: Example of ODS containing 'Sanyo' brand AC Unit

Photo 32: Example of ODS containing 'Fujitsu' brand AC Unit

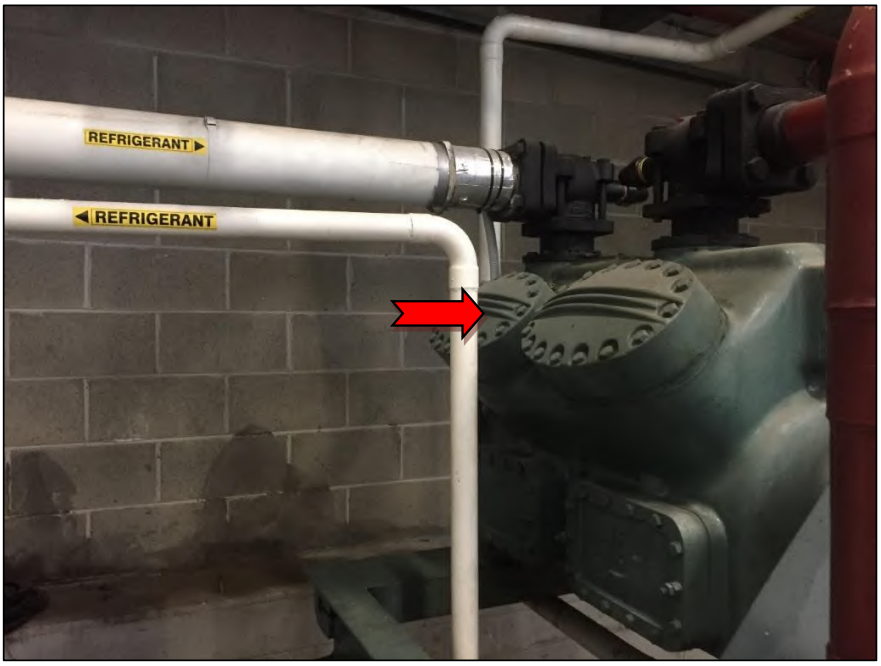

Photo 33: Example of ODS containing chiller

5.6. Polychlorinated Biphenyls

It may not be considered feasible to inspect every light fitting within a premise as information available in the Public Domain on the identification of PCB containing capacitors is limited. However, all metal capacitors in electrical fittings throughout site should be treated as containing PCB unless determined otherwise.

Photo 34: Example of light fitting containing PCB containing capacitor

6. Recommendations

The following recommendations are generic to the respective hazardous material. The recommendations, conclusions or stability of hazardous materials contained in this report shall not abrogate a person of their responsibility to work in accordance with Statutory Requirements, Codes of Practice, Guidelines, Safety Data Sheets, Work Instructions or reasonable work practices.

6.1. Asbestos Containing Materials

Asbestos containing materials are referred to as either friable or bonded.

Friable asbestos is in the form of a powder, or can be crumbled, pulverized or reduced to powder by hand pressure when dry. Friable asbestos includes materials such as sprayed and thermal insulation, pipe lagging and millboard, and can release fibres with only minimal disturbance. Friable ACM exhibits the greatest risk to human health as fibres are released upon minimal disturbance.

Bonded asbestos products are ones in which the asbestos fibres are bound within the matrix of the material. Bonded asbestos is difficult to damage or cause the release of fibres by hand and includes

materials such as asbestos cement sheeting (fibre cement or fibro), vinyl floor tiles and zelemite electrical switchboards. However, bonded ACMs that have been subjected to weathering, physical damage, water damage, fire or other conditions may contain exposed fibres which could be released upon disturbance.

Based on the suspected materials likely to be encountered onsite, the general recommendations regarding ACM are:

- ACM that has been identified in this survey must be removed prior to the commencement of general demolition works.
- When asbestos removal works are to be undertaken, the person that commissions the works must ensure that this is undertaken by an appropriately licensed asbestos contractor. The asbestos removal works must be conducted under controlled asbestos removal working conditions.
- When friable or non-friable asbestos removal works are to be conducted within or adjacent to a highly sensitive area or public location, Coffey recommends that a hygienist who is independent of the asbestos contractor should be engaged to undertake airborne asbestos fibre monitoring along the boundary of the works and within the work area on completion of the works.
- If friable asbestos is identified during future works and is to be removed, a licensed asbestos assessor who is independent of the asbestos contractor must be engaged to:
  - Inspect the asbestos removal work area prior to commencement of the works;
  - Undertake asbestos fibre air monitoring before and during friable removal works in the surrounding areas and clearance asbestos fibre air monitoring at the conclusion of the asbestos removal work; and
  - Complete a visual inspection of the asbestos removal area and the area immediately surrounding it and ensure these are free from visible asbestos contamination.
- The licensed asbestos assessor must provide a Clearance Certificate that documents the visual clearance inspection and the satisfactory completion of the asbestos removal works. The Clearance Certificate should state that all visible asbestos dust and debris resulting from the asbestos removal process has been removed from the removal area(s) and from areas adjacent to the removal work area(s).
- ACM were found not to be appropriately labelled. ACM left on-site should be labelled in accordance with Regulation 424 of the NSW Code of Practice: *How to Manage and Control Asbestos in the Workplace,* 2019 and AS 1319-1994 *Safety signs for the occupational environment* to warn of the dangers of disturbing these materials.

During future demolition works, if any materials that are not referenced in this report and are suspected of containing asbestos are encountered, then works must cease and an asbestos hygienist should be notified to determine whether the material contains asbestos.

6.2. Lead Based Paint

The selection of the most appropriate control measure should be determined from risk assessments and detailed knowledge of the workplace and proposed activities. Removal or management is to be undertaken prior to any future demolition, partial demolition, renovation or refurbishment where lead-based paint is likely to be disturbed, in accordance with the Australian Standard (AS4361.2);2017, *Guide to Hazardous Paint Management Part 2: Lead paint in residential, public and commercial buildings.*

6.3. Lead Containing Dust

Confirmed lead containing dust should be removed prior to demolition works in accordance with Australian Standard (AS4361.2); 2017, *Guide to Hazardous Paint Management Part 2: Lead paint in residential, public and commercial buildings.* In the interim, access to these spaces must be restricted.

Any work processes involving lead containing dust must be undertaken in a manner to ensure that no worker is exposed to lead at concentrations above occupational exposure standard (OES) of 0.05 mg/m³ over an eight-hour day.

Lead-containing dust removal works should include the use of High Efficiency Particulate Air (HEPA) filtered vacuum cleaners and wet wiping techniques by a licensed contractor under controlled lead-containing dust conditions, along with appropriate PPE and personal decontamination procedures in place.

6.4. Synthetic Mineral Fibres

Un-bonded or bonded SMF that has severely deteriorated has the potential of becoming airborne. Health effects that may occur with exposure to certain SMF materials include; irritation of the skin, eyes and upper respiratory tract. As such removal and replacement would be the preferred option if such materials were found in accessible areas or air conditioning systems.

The selection of the most appropriate control measure should be determined from risk assessments and detailed knowledge of the workplace and activities. The following general principles may be applied:

- If the SMF is un-bonded or deteriorated, in a poor/unstable condition and accessible with risk to health from exposure, immediate access restrictions should be applied and removal is required as soon as practicable;
- If the SMF is un-bonded or deteriorated, in a poor/unstable condition but in inaccessible areas (i.e. Ceiling space), removal is preferred. However, if removal is not immediately practicable, short-term control measures (i.e. restrict access, or provide personal protective equipment to personnel required to access the area etc.) may be employed until removal can be facilitated;
- If the SMF is bonded and in a poor/unstable condition; minimising disturbance and removal or encapsulation may be appropriate controls; and
- Prior to any demolition, partial demolition, renovation or refurbishment, synthetic mineral fibre materials likely to be disturbed by those works should be removed in accordance with the NOHSC Code of Practice for the Safe Use of Synthetic Mineral Fibres [NOHSC:2006 (1990)].

6.5. Ozone Depleting Substances

Air-conditioning systems onsite are suspected of containing CFCs and HCFCs refrigerants.

Removal should be undertaken prior to any demolition or refurbishment. A licensed contractor who will recycle and reuse the refrigerant should decommission the CFC and HCFC based equipment that is being disposed of in accordance with Association of Fluorocarbon Consumers and Manufacturers, *The Australian Refrigeration and Air Conditioning Code of Good Practice* – 1992 and the Australian Commonwealth Government Ozone Protection Act – 1989.

6.6. Polychlorinated Biphenyls (Capacitors Only)

All capacitors containing or suspected as PCB or the fluorescent light fittings likely to be disturbed during future works should be removed prior to any future demolition, partial demolition, renovation or

refurbishment in accordance with Department of Occupational Health, Safety and Welfare, *Safe Handling of PCB in Fluorescent Light Capacitors* – 1993 and with the *Polychlorinated Biphenyls Management Plan, Revised Edition April* 2003

PCB is a potential environmental hazard and must be handled in accordance with Work Safe Guidance Notes. Post removal, provision should be made for appropriate storage/disposal of PCB containing capacitors.

6.7. Training

N.B. Information, instruction and training must be provided to workers, contractors and others who may come into contact with hazardous materials in a workplace, either directly or indirectly.

Depending on the circumstances this hazardous materials awareness training may include:

- The purpose of the training;
- The health risks of hazardous materials;
- The types, uses and likely occurrence of hazardous materials on site, in plant and/or equipment in the workplace;
- The trainees' roles and responsibilities under the workplace's hazardous materials management;
- Where the workplace's register of hazardous materials is located and how it can be accessed;
- The timetable for removal of hazardous materials from the workplace;
- The processes and procedures to be followed to prevent exposure, including exposure from any accidental release of hazardous materials into the workplace;
- Where applicable, the correct use of maintenance and control measures, protective equipment and work methods to minimise the risks from hazardous materials, limit the exposure of workers and limit the spread of hazardous materials outside any work area;
- The National Exposure Standard (NES) and control levels for hazardous materials; and
- The purpose of any air monitoring or health surveillance that may occur.

7. Summary

Coffey advises that the Client must not rely on this report as accurately indicating the presence and extent of asbestos and hazardous materials at 59 – 71 Mann Street, Gosford, NSW 2250. All that the report can be relied upon is to highlight what may be encountered during a site inspection.

Coffey recommends that an asbestos and hazardous materials register, and an Asbestos Management Plan, are prepared as soon as the premise can be made safely accessible for an intrusive pre-demolitions asbestos and hazardous materials assessment to be undertaken. No refurbishment, demolition, or any works that involve disturbing materials on site can take place without an assessment of the potentially hazardous nature of materials.

Coffey is able to undertake the intrusive assessment when the site is made safe for inspection. Furthermore, Coffey is able to assist with all aspects of Risk Management for removal of asbestos and other hazardous materials resulting from a completed site investigation

8. Bibliography

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Australia and New Zealand Environment and Conservation Council (ANZECC), Polychlorinated Biphenyls Management Plan - 1999

Australia and New Zealand Environment and Conservation Council (ANZECC), Identification of PCB – Containing Capacitors - 1997

Australian Commonwealth Government Ozone Protection Act - 1989

Australian Standard (AS4361.2); 2017, *Guide to Hazardous Paint Management Part 2: Lead paint in residential, public and commercial buildings*

Department of Occupational Health, Safety and Welfare, Safe Handling of PCB in Fluorescent Light Capacitors - 1993

Department of Industrial Resources (DoIR) Guidance for Upstream Petroleum on the National Ban on Asbestos of 31 December 2003.

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National Occupational Health and Safety Commission (NOHSC), Control of Inorganic Lead at Work: National Standard, 1012 - 1994

National Occupational Health and Safety Commission (NOHSC), List of Designated Hazardous Substances, 10005 - 1999

National Institute for Occupational Safety and Health [NIOSH (U.S.A.)], Manual of Analytical Methods, Elements by ICP, Method 7300, 4th Edition, Issue 2 - 1994

National Occupational Health and Safety Commission (NOHSC), National Code of Practice for the Control and Safe Use of Inorganic Lead at Work, 2015 - 1994

National Occupational Health and Safety Commission (NOHSC), National Standard and National Code of Practice for Synthetic Mineral Fibre - May 1990

Occupational Health and Safety (Maritime Industry) Act 1993

The National Model Regulation for the Control of Workplace Hazardous Substances; [NOHSC: 1005 (1994)]

Seafarers Safety, Rehabilitation and Compensation Authority's "Guidance on the Prohibition on the use of Asbestos in Australian Maritime Industry Workplaces (Version 3 March 2004).

Department of Industrial Resources (DoIR) Guidance for Upstream Petroleum on the National Ban on Asbestos of 31 December 2003.

National Occupational Health and Safety Commission (NOHSC), Approved Criteria for Classifying Hazardous Substances, 1008 - 2002

Code of Practice: *How to Manage and Control Asbestos in the Workplace*, (2019)

Code of Practice: *How to Safely Remove Asbestos*, (2019)

National Occupational Health and Safety Commission (NOHSC), National Standard and National Code of Practice for Synthetic Mineral Fibre - May 1990

Occupational Health and Safety (Maritime Industry) Act 1993

The National Model Regulation for the Control of Workplace Hazardous Substances; [NOHSC: 1005 (1994)]

Seafarers Safety, Rehabilitation and Compensation Authority's "Guidance on the Prohibition on the use of Asbestos in Australian Maritime Industry Workplaces (Version 3 March 2004).

Work Health and Safety Act 2011 and Regulation 2017 (Commonwealth, NSW, ACT, NT & QLD)

Occupational Health and Safety Act 2004 and Regulation 2003, 2007 (VIC),

Occupational Health and Safety and Welfare Act 1986 and Regulation 2010 (SA)

Workplace Health and Safety Act 1995 and Regulation 1998 (TAS)

Occupational Health and Safety Act 1984 and Regulation 1996 (QLD)

The National Occupational Health & Safety Commission -NOHSC 1003-2005: Australian Exposure Standards for Atmospheric Contaminants in the Workplace.

Amendment to the Customs (Prohibited Imports) Regulation 1956 - Regulation 4C – Importation of Asbestos – Australian Customs Notice No. 2009/30. – August 2009.

AS 1319-1994 Safety signs for the occupational environment.

Code of Practice: *Demolition Work 2019*.

Appendix A - Legislative Requirements and Additional Information

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LEGISLATIVE REQUIREMENTS — ASBESTOS

This document has been produced for information only and is under regular review due to frequent changes in legislation and guidance. It contains information relating to the column headings only and not, for instance, in relation to asbestos removal. It is the duty of employers, premise owners and controllers of premises etc. to ensure they are familiar with the latest applicable state legislation and guidance.

Introduction:

New (Harmonised) work health and safety laws commenced in the Commonwealth, New South Wales, Queensland, the Australian Capital Territory and the Northern Territory on 1 January 209 and in Tasmania and South Australia on 1 January 2013.

For links to these legislations and the most current information on the progress of legislative change for the other states, please access Safe Work Australia at:

http://www.safeworkaustralia.gov.au/Legislation/Pages/ModelWHSLegislation.aspx

Transitional Arrangements

Safe Work Australia has developed transitional principles that set out how arrangements under existing work health and safety legislation are intended to transition to the new harmonised system. There are transitional principles statements for both the WHS Act and Regulation. These are available from the Safe Work Australia site:

http://www.safeworkaustralia.gov.au/Legislation/transitional-arrangements/Pages/transitional-arrangements.aspx

Further, each state and territory work health and safety authority has also developed resources to assist their jurisdiction with the transition. If you have any questions regarding transitional arrangements in your jurisdiction please contact your regulator.

Further Useful Resources

Safe Work Australia publishes a range of guidance material to provide information on the model work health and safety laws and to assist compliance. This information can be accessed from:

http://www.safeworkaustralia.gov.au/Legislation/guidance-material/Pages/guidance-material.aspx

For More Information Contact:

Coffey Services Australia – Work Health and Safety Section:

Phone: 02 9406 1000 Email: WHS_Support@Coffey.com Web: www.coffey.com

LEGISLATIVE REQUIREMENTS — ASBESTOS

This document has been produced for information only and is under regular review due to frequent changes in legislation and guidance. It contains information relating to the column headings only and not, for instance, in relation to asbestos removal. It is the duty of employers, premise owners and controllers of premises etc. to ensure they are familiar with the latest applicable state legislation and guidance.

STATE **Primary Asbestos Legislation**	**Asbestos Survey Requirements**	**Asbestos Resurvey Requirements**	**Reporting Requirements**	**Management and Labelling/Signage Requirements**	**Other Requirements**
COMMONWEALTH ***NEW SOUTH WALES*** ***QUEENSLAND*** ***NORTHERN TERRITORY*** ***TASMANIA*** ***SOUTH AUSTRALIA*** *Work Health and Safety Act 2011 (Cth, NSW, QLD, TAS, SA)* *Work Health and Safety Regulation 2017 (Cth, NSW, QLD, TAS, SA)* *Work Health and Safety (National Uniform Legislation) Act 2011 and Regulation 2017 (NT)* *Supported by:* *Code of Practice - How to Manage and Control Asbestos in the Workplace (2019)* *Code of Practice - How to Safely Remove Asbestos (2019)*	A person conducting a business or undertaking (PCBU) must, for work place buildings/ structures that are constructed prior to December 31, 2003; • survey to identify and locate any asbestos-containing Materials (ACM; and, • Compile and keep at the workplace a site specific Asbestos Register. If ACM is identified at the work place, an Asbestos Management Plan (AMP) is to be compiled for the management of the identified ACM. The Asbestos Register and the Asbestos Management Plan must be made available at the work place for workers, people intending to conduct business at the work place and to Health and Safety representatives.	Re-inspections of identified ACM are determined on a case-by-case basis depending on the risk situation and should be informed by and conducted in accordance with the site specific Asbestos Management Plan.	The site specific Asbestos Register needs to include the date, type, location, condition and ACM identified during the survey. The Asbestos Register must be maintained and also updated if: • the AMP is under review, • further ACM is identified and/or, • ACM is removed, disturbed or encapsulated. The site specific AMP must include management actions and justifications, incident and emergency response plans and record details of works carried out that involves ACM at the work place. The AMP must be maintained and updated: • when the Asbestos Register is under review, • if asbestos is removed, disturbed or encapsulated, • if the AMP is no longer adequate for managing the ACM, • if a Health and Safety Officer requests a review and/or at least • Once every 5 years.	Generally, health monitoring is not required excepting for workers involved in asbestos removal works. Training is required for persons involved in asbestos removal work or carrying out asbestos related works. All identified ACM in a workplace has to be labelled to indicate clearly asbestos presence and location of the asbestos item. Before refurbishment or demolition: • ensure Asbestos Register is current • undertake necessary inspections A licenced asbestos removalist is required unless: • ACM < 10m2 and non-friable and then by a competent person	WHS Regulation 419 requires A person conducting a business or undertaking (PCBU) must not carry out, or direct or allow a worker to carry out, work involving asbestos; excepting as is applicable: • managing risk; • sampling, identification and analysis; • maintenance • removal/disposal • other exemptions per s.419 (3)

AMENDED ITEM

Item No:	2.16
Title:	Acquisition of part of 20 Brush Creek Rd, Cedar Brush Creek and part of 56 Brush Creek Rd, Cedar Brush Creek for road purposes
Department:	Infrastructure Services

14 December 2021 Ordinary Council Meeting

Reference:	F2019/01073 - D14943905
Author:	Navneet Raheja, Project Development Engineer
Manager:	Jay Spare, Unit Manager Roads and Drainage Infrastructure
Executive:	Boris Bolgoff, Director Infrastructure

Recommendation

1 That Council resolve to acquire the following land for the purpose of a road (Land): That part of Lot 41 DP1003436 at 20 Brush Creek Rd, Cedar Brush Creek and that part of Lot 151 DP1027625 at 56 Brush Creek Rd, Cedar Brush Creek (the Land), to an equal or lesser value than the maximum market value as determined by an independent valuation report.

2 That Council enters into negotiations with the property owners of 20 Brush Creek Rd, Cedar Brush Creek to exchange part of the closed Road Reserve to be reclassified as RU1 Primary Production zoning shown in orange in the attached plan as part compensation.

3 That Council authorise the Chief Executive Officer to execute all necessary documentation relevant to the acquisition of the land.

4 That Council resolve to acquire all or some of the portions comprising the land by compulsory process for the purposes of a road, pursuant to Section 177 of the Roads Act 1993 and in accordance with the requirements of the Land Acquisition (Just Terms Compensation) Act 1991, in the event that negotiations for the acquisition of all or some of the portions comprising the Land with the relevant property owner or owners cannot be satisfactorily resolved.

5 That Council resolve to make an application to the Minister for Local Government and the Governor for approval to acquire all or some of the portions comprising the Land by compulsory process pursuant to the Land Acquisition (Just Terms Compensation) Act 1991, in the event that negotiations for the acquisition of the land with the relevant property owner or owners cannot be satisfactorily resolved.

Report purpose

For Council to consider the acquisition of part of 20 Brush Creek Rd, Cedar Brush Creek and part of 56 Brush Creek Rd, Cedar Brush Creek for the purpose of road and bridge reconstruction.

Executive Summary

Detailed construction drawings have been completed confirming the need for Council to acquire a portion of land for the purpose of road allocation and bridge construction. This report also seeks to ensure the road reserve aligns with the existing road that is constructed through 20 Brush Creek Road and 56 Brush Creek Road, Cedar Brush Creek as a portion of the constructed road is not within a road reserve.

Background

The Council has grant funding to upgrade Maloneys Bridge, Cedar Brush Creek from one-way timber bridge to two-way concrete bridge based on the funding secured. The bridge is programmed for construction in the 2021-2022 financial year.

Current Status

Council is in the process of engaging a valuer to assess compensation for the land to be acquired and a Surveyor engaged to prepare a Proposed Plan of Acquisition for the road to be acquired. Details are attached in a confidential briefing note relating to the internal assessment for the maximum anticipated acquisition costs.

Report

To facilitate the road infrastructure requirements for the Project, it will be necessary to acquire part of 20 Brush Creek Rd, Cedar Brush Creek and part of 56 Brush Creek Rd, Cedar Brush Creek for the purpose of a road reserve corridor over the existing formed road.

20 Brush Creek Rd, Cedar Brush Creek has an area of 177,900m2 and is zoned RU1 – Primary Production and the area to be acquired is approximately 5,278m2 which is over the formed road and part of the property near the Maloneys Bridge.

56 Brush Creek Rd, Cedar Brush Creek has an area of 75,580m2 and is zoned RU1 – Primary Production and the area to be acquired is approximately 213m2 near the Maloneys Bridge upgrade and road alignment.

Attachment 1 shows the area of land proposed to be acquired.

Following acquisitions when the land is transferred to Council, the land will be dedicated as a public road. There is an opportunity to exchange part of the closed road reserve to be reclassified as RU1 Primary Production zoning shown in orange in the attached plan as part compensation.

Council staff will endeavour to acquire the land by agreement with the landowners. If Council is unable to reach agreement within a reasonable time, it will be necessary to apply to the Office of Local Government for compulsory acquisition of the relevant portions of the Land.

Consultation

Council has written to the owners of the affected land informing them of the potential road reserve acquisition and the associated proposal to acquire part of their land to formalise the road corridor where the existing road exists.

Council have had conversations with the landowners and they would like to see the actual pegging of the proposed property boundaries on the ground before Council proceeds further. A registered surveyor has been engaged to prepare a plan of acquisition and undertake the pegging on ground.

Should Council authorise the acquisition of the affected land, consultation will continue with the owners with a view to acquire the affected parts of their property by agreement.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

> *1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.*

The following statement is provided in response to this resolution of Council.

The confidential briefing note contains associated maximum acquisition costs.

The total budget available in 2021-2022 is $900,000 which includes acquisition and construction costs. The full project is grant funded from the 'Fixing Country Bridges Program'.

Link to Community Strategic Plan

Theme 4: Responsible

Goal H: Delivering essential infrastructure

R-H2: Improve pedestrian movement safety, speed and vehicle congestion around schools, town centres, neighbourhoods, and community facilities.

Risk Management

These funds are budgeted for in the 2021/2022 Capital works program.

Options

1 Acquisition of part of 20 Brush Creek Rd, Cedar Brush Creek and part of 56 Brush Creek Rd, Cedar Brush Creek for the purpose of road and bridge reconstruction. **This is the recommended option.**

2 Council can resolve not to authorise the acquisition of the affected land and the project cannot proceed. Not recommended.

Critical Dates or Timeframes

Legal agreements regarding acquisition as well as construction to be completed by 30 June 2022. The property acquisition plan should be completed prior to allow construction to proceed and meet the construction milestones.

Attachments

1	Consultation plan for Maloneys Bridge	Provided Under Separate Cover	D14705703
2	Maloneys Bridge Land Acquisition Concept Plan	Provided Under Separate Cover	D14966194
3	Confidential Briefing Note - Acquisition of part of 20 Brush Creek Rd, Cedar Brush Creek and part of 56 Brush Creek Rd, Cedar Brush Creek for road purposes -		D14966312

ADDITIONAL ITEM

Item No: 2.17

Title: Council's Asset Sales Program - End of year update

Department: Corporate Affairs

14 December 2021 Ordinary Council Meeting

Reference: F2020/03104 - D14977708

Author: Joe O'Connor, Commercial Property Manager, Commercial Property

Manager: Jamie Barclay, Unit Manager Development and Property

Executive: Natalia Cowley, Director Corporate Affairs and Chief Financial Officer

Recommendation

That Council resolve that the following land has been sold and will be removed from Council's land register:

a) 225 Sparks Road, Jilliby (Lot 15 DP 259530)
b) 671 Hue Hue Road, Jilliby (Lot 16 DP 259530)
c) 689 Hue Hue Road Jilliby, (Lot 17 DP 259530)
d) 701 Hue Hue Road Jilliby, (Lot 18 DP 259530)
e) 725 Hue Hue Road Jilliby, (Lot 4 DP 239704)
f) 725 Hue Hue Road Jilliby, (Lot 25 DP 259530)
g) 725 Hue Hue Road Jilliby, (Lot 26 DP 259530)
h) 749 Hue Hue Road, Jilliby (Lot 19 DP 259530)
i) 781 Hue Hue Road, Jilliby (Lot 6 DP 239704)
j) 791 Hue Hue Road, Jilliby (Lot 7 DP 239704)
***k)* 811 Hue Hue Road, Jilliby (Lot 8 DP 239704)**

Report purpose

To provide an end of year update on Council's Asset Sales program and to remove various land that has been sold from its land register.

Executive Summary

Council is continuing the path to financial recovery and sustainability with further actions implemented from the adopted Business Recovery Plan. Part of the significant steps being undertaken, include the sale of Council assets which are underperforming or surplus to Council's current and future needs. This process is crucial to deliver a much-needed boost to Council's financial position and provide confidence to our lenders that Council operations can continue sustainably, and loans serviced.

Background

Council resolved to sell and prepare for sale various Council owned land at its meeting of 30 November 2020, being known as the Tranche 1 properties. Marketing of assets listed in Tranche 2 commenced in early February 2021, these included a group of properties resolved for sale by the former Wyong Shire Council, so no further resolution was required. After a period of 28 days allowing for community consultation, Council resolved to sell a further group of properties known as Tranche 3 on 27 July 2021.

The sale of the land, known as "Warner Industrial Park," contained in this report was resolved for sale at Council's meeting of 30 November 2020. This report provides a further update to the report which was previously considered by Council at its meeting of 23 November 2021, providing an end of year update.

Current Status

As of the date this report was authored, the list of properties sold within this calendar year (2021), are as follows:

Property Address	Lot/DP	Settlement Date	Valuation Price	Sale Price
Properties previously reported as sold (refer to Council report 23/11/2021)			**$5,132,088**	**$7,707,000**
Warner Industrial Park - 225 Sparks Road and 671, 689, 701, 725, 749, 781, 791, 811 Hue Hue Road, Jilliby, 2259	Lots 15, 16, 17, 18, 19, 25 and 26 in DP 259530, Lots 4, 6, 7 and 8 in DP 239704	10/12/2021	$19,500,000	$27,031,775
TOTAL VALUE		**As of 10/12/21**	**$24,632,088**	**$34,738,775**

Warner Industrial Park was sold by private treaty, for greater than its market valuation. Please refer to *Attachment 1* which provides the valuation for Warner Industrial Park.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

> *1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.*

The following statement is provided in response to this resolution of Council.

The sale of the Warner Industrial Park site achieved a sale's value of $27,031,775 (excluding GST) and this has contributed to Council's financial recovery.

Link to Community Strategic Plan

Theme 4: Responsible

Goal G: Good governance and great partnerships

R-G2: Communicate openly and honestly with the community to build a relationship based on transparency, understanding, trust and respect.

Risk Management

Risk mitigation has been achieved during the sales process through ensuring adequate due diligence. This process included:

- Reviewing these sites against Council resolutions and historical records
- Ensuring Council retains ownership of land that is needed for its current and future service delivery
- Ensuring that any sale would not contravene legislative requirements
- Consultation with internal stakeholders affected by the disposal of these assets.

Council staff have engaged with independent property development experts Michael Filo and Steve Rowe to execute the functions of the Independent Advisory Group. The Advisory Group's function is to provide an independent panel to review asset sales program prior to going to Council, review and advise on conditional sales for commercial and industrial sales and to review opportunities and advise Council on potential highest and best use analysis to ensure Council is receiving value for the sale.

Attachments

1 Valuation D14977743

12 January 2021

[redacted]

Consultancy Desktop Advice: Warner Industrial Park, Sparks Road & Hue Hue Road, Jilliby NSW 2259

We refer to your initial email request to provide market commentary and an indicative range of market values for the above detailed property. We also refer to your instructions to update our original advice dated 24 February 2020.

Our advice is undertaken on the following basis:

- An indicative range of market values assuming approval for a 69 lot industrial subdivision (Stages 1 – 8)
- An indicative range of market values for Stage 1 adopting the existing DA Consent for 13 industrial lots. We have not been provided with site specific costs, however Central Coast Council previously have provided us with an estimate of project costs which we have placed some reliance upon in this assessment. We have undertaken a hypothetical development assessment to assist us in our opinion of the indicative value range
- Comment regarding indicative average annual growth rates of industrial land over a historical period, along with commentary on the market generally
- We have undertaken a kerb side (Hue Hue Road) inspection on 12 January 2021, although we have predominantly relied upon on-line mapping and the proposed subdivision plans, as supplied

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Central Coast Council

1. Critical Conditions and Assumptions

- Our advice is limited and qualified based on the information supplied to us by Central Coast Council
- Notwithstanding the kerb side inspection, this advice is essentially a desktop assessment
- In the absence of verified development costs it is necessary for us to rely upon our assumptions in relation to project costs, end allotment sale values and sale rates
- We have not had regard to site specific development constraints such as subsidence, contamination, supply of water, power and sewerage other than the project cost as reported in Section 5.2 of the NSW Government Planning approval MP07-0162
- Reliance on the correspondence from Wyong Council stating that the existing NSW State Government subdivision approval is current with substantial commencement achieved
- Our research and investigations are undertaken on a strictly confidential basis
- Our report to Central Coast Council is provided on a strictly confidential basis
- It is agreed that this advice is indicative only and may not be relied upon by the instructing party for any purpose beyond determination of an indicative market value range as part of Central Coast Council's broader asset disposal program.

Central Coast Council

2. Land Particulars

Location

Position

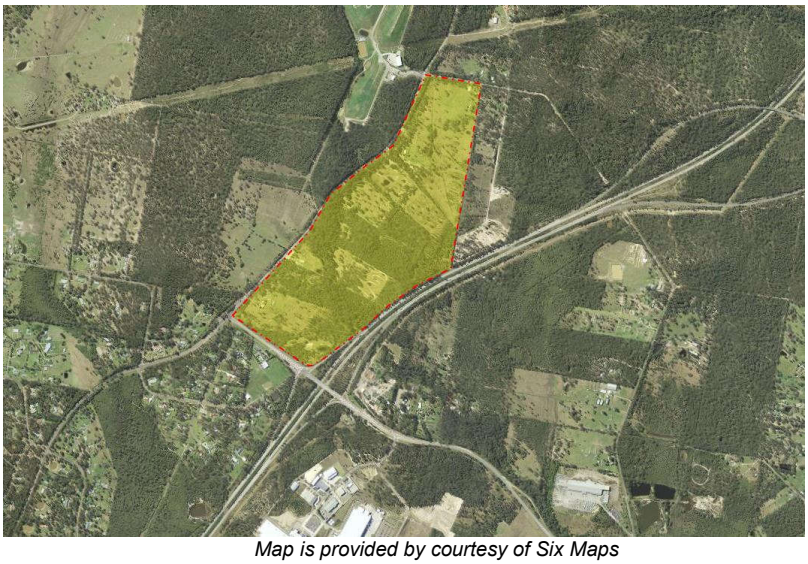
- The Property is located approximately 12km by road north of the Wyong town centre, the southern boundary of the Property is located at the access ramp onto the M1 Motorway.
- At its eastern boundary the Property is positioned alongside the Sydney to Newcastle M1 Motorway.

Surrounding and Adjoining Development

- Access to existing schools including the Lakes Grammar School and Warnervale Public School.
- The Central Coast Airport is located 1km to the east of the Property.
- Wyong Town Centre is located approximately 8.5km to the south of the Property via Hue Hue Road.
- On the opposite side of the Motorway is the Sanitarium warehouse facility and the Woolworths Wyong Regional Distribution Centre.

Road System and Access

- Strategically located near the M1 Motorway, the subject Property is well positioned to commute south to Sydney or north to Newcastle.
- Warnervale Railway Station is approximately 3.5km by road to the east of the subject Property.
- The Link Road Stage 2 extension is also predicted to help with faster connections.
- The widening of the M1 Motorway and improved road access along Sparks Road is intended to increase traffic flow and improve accessibility.



Map is provided by courtesy of Six Maps

Central Coast Council

Title Details & Site Description

Registered Owner	Wyong Council (Central Coast Council)*
Title Description	Lot 4, 6 – 8 in DP239704, 15-16 in DP259530 & 25-26 in DP259530
Registered Address	671, 725, 781, 791, 811 Hue Hue Road, Jilliby NSW 2259 and 225 Sparks Road Jilliby NSW 2259
Identification	The Property has been identified by reference to Plans as supplied. We have not inspected the Property, other than kerbside from Hue Hue Road.
Physical Description	Property is partly cleared and consists of undulating timbered rural/grazing land
Dimensions	We have been advised that the total site area is circa 87.95 hectares. The Property comprises a large number of separate land titles, as such, we have not undertaken a Title search and receipt of a land survey is recommended to confirm the total site area. It is noted that for this assessment we have had regard to net developable areas, as estimated. We cannot confirm if there are any encroachments upon the Property. The above measurements have been advised by the instructing party and confirmed from online database and aerial mapping

**We have not ordered a Title search to confirm ownership*

Town Planning Details

Municipality and Planning Scheme

Wyong Local Environmental Plan 2013

Zoning – Significant Land Zone

Central Coast Council

We have utilised on-line mapping tools (NSW ePlanning Spatial Viewer) to determine the component of Industrial (IN1 zoned land). We have estimated the following:

IN1 – General Industrial	**Circa 66 Hectares**
E2 – Environmental Conservation	**Circa 17 Hectares**
Net Developable Area (per proposed plan of subdivision)	**Circa 55.59 Hectares (excludes internal roads)**

IN1 General Residential

1. **Objectives of zone**
   - To provide a wide range of industrial and warehouse land uses.
   - To encourage employment opportunities.
   - To minimise any adverse effect of industry on other land uses.
   - To support and protect industrial land for industrial uses.
   - To enable other land uses that provide facilities or services to meet the day-to-day needs of workers in the area.
2. **Permitted without consent**
   Nil
3. **Permitted with consent**
   Depots; Food and drink premises; Freight transport facilities; Garden centres; General industries; Hardware and building supplies; Industrial training facilities; Kiosks; Landscaping material supplies; Light industries; Liquid fuel depots; Neighbourhood shops; Oyster aquaculture; Places of public worship; Plant nurseries; Roads; Rural supplies; Tank-based aquaculture; Timber yards; Vehicle sales or hire premises; Warehouse or distribution centres; Any other development not specified in item 2 or 4
4. **Prohibited**
   Agriculture; Boat launching ramps; Boat sheds; Camping grounds; Caravan parks; Cemeteries; Charter and tourism boating facilities; Commercial premises; Correctional centres; Eco-tourist facilities; Educational establishments; Entertainment facilities; Environmental facilities; Exhibition homes; Exhibition villages; Extractive industries; Farm buildings; Forestry; Function centres; Heavy industries; Heavy industrial storage establishments; Home-based child care; Home businesses; Home occupations; Home occupations (sex services); Information and education facilities; Jetties; Marinas; Mooring pens; Moorings; Open cut mining; Passenger transport facilities; Pond-based aquaculture; Public administration buildings; Recreation facilities (indoor); Recreation facilities (outdoor); Registered clubs; Residential accommodation; Tourist and visitor accommodation; Water recreation structures; Wharf or boating facilities

E2 Environmental Conservation

1. **Objectives of zone**
   - To protect, manage and restore areas of high ecological, scientific, cultural or aesthetic values.
   - To prevent development that could destroy, damage or otherwise have an adverse effect on those values.
   - To protect endangered ecological communities, coastal wetlands and littoral rainforests.
   - To enable development of public works and environmental facilities if such development would not have a detrimental impact on ecological, scientific, cultural or aesthetic values.
2. **Permitted without consent**
   Nil

Central Coast Council

3.	**Permitted with consent** Eco-tourist facilities; Environmental facilities; Environmental protection works; Flood mitigation works; Oyster aquaculture; Recreation areas; Research stations; Roads; Water reticulation systems
4.	**Prohibited** Business premises; Hotel or motel accommodation; Industries; Multi dwelling housing; Pond-based aquaculture; Recreation facilities (major); Residential flat buildings; Restricted premises; Retail premises; Seniors housing; Service stations; Tank-based aquaculture; Warehouse or distribution centres; Any other development not specified in item 2 or 3

Masterplan Approval – NSW Planning		
Development Application	MP07-0162	
Determination	Approved	
Determination	27 August 2010	
Substantial Commencement	Achieved – Refer to Correspondence 15 April 2015 from Wyong Shire	
Description	Masterplan	120 lot subdivision
	Subject Land	69 lot subdivision
Comment	Our advice is issued on the basis that the estimated construction costs are adequate to meet all conditions detailed within the development approval. Independent quantity surveyor advice is recommended to confirm the same	

3. Market Intelligence

Central Coast Overview

Located approximately an hour north of Sydney and south of Newcastle. The Central Coast offers a coastal lifestyle, a regional city in Gosford, a strategic position for business logistics operations and a mobile workforce.

With an estimated population of 342,047 people in June 2018, the Central Coast is a quickly growing region, driven in part by population pressures in Sydney. The NSW Government introduced the Central Coast Regional Plan 2036 to grow the population, create excess of 24,000 jobs and increase the supply of housing. Health Care, Social Assistance, Retail and construction industries were the largest industries of employment across the Central Coast. The region offers connectivity to key labour and consumer markets and is a viable alternate business and residential location to Sydney.

There has been a strong increase in land values across the Central Coast Council area. The increase was consistent across all market segments, one exception being the commercial zoned lands which showed only a moderate increase.

The increases have been driven by strong demand and competition form out of area buyers, together with affordability in comparison to the Sydney markets. Other significant drivers include progressive main road upgrades improving access to and throughout the region, particularly the M1 Motorway upgrades.

Warnervale Town Centre

The Central Coast Business Review (September 2020) report the following with regard to the Town Centre. "The adjoining residential component is starting to take shape with property developer Landcorp NSW well advanced with only 26 lots of the first stages of their 140 lot Hilltop Park development left for sale.

Lot sizes range from 447 sqm to 614 sqm and have realised at prices from $315,000 to $350,000.

The first homes to be built at Hilltop Park are nearing completion as the various local home builders lay the foundations for even more.

Central Coast Council will deliver a water and sewerage upgrade in Warnervale Town Centre following the provision of an $8.5M funding package from the NSW Government announced in July by Parliamentary Secretary for the Central Coast, Adam Crouch.

The town centre is planned to include a variety of retail shops, family tavern, medical facilities and pharmacy, a long day childcare centre, children's play centre.

A Woolworths neighbourhood centre supermarket is proposed on Sparks Road thereby enlarging the overall Town Centre itself.

Additionally, the completion of the new parklands at the heart of the town centre will include open-air sports facilities, bike tracks, jogging tracks and other community amenities, which Landcorp NSW contemplates will be completed by early 2022."

Recent Activity:

The University of Newcastle began construction of the $72.5 million Central Coast Medical School and Central Coast Research Institute adjacent to the Gosford Hospital.

Joint Venture between AA Crown Holdings and Northside Group lodged a State Significant Development Application for $350 million development of a private hospital in West Gosford. Pending approval, the development is expected to be completed 2022, subsequently Commercial hq and Gibbens Group will develop a $30 million Medical Precinct adjacent to the private hospital on the 3.1ha site. The Kibbleplex sites ('Gosford Alive') State Significant Development comprises of a $280 million for 5 towers above a podium with mixed-use residential, retail, entertainment and recreation. In September 2019, St Hilliers lodged a masterplan DA with the NSW Department of Planning for a mixed-used precinct with their previous development Central Coast Quarter.

Local Industrial Market Overview

The Central Coast industrial property marketed is largely made up of light to medium industrial users along with a number of larger scale distribution and manufacturing facilities. The M1 Motorway linking Sydney to Newcastle and northern New South Wales and as such the Central Coast is a suitable location for large scale distribution centres including the Woolworths Distribution Centre at Warnervale and Berkeley Vale Distribution Centre. The five main industrial areas for the Central Coast are:

- *Tuggerah Business Park*
- *Berkley Vale*
- *Somersby*
- *North Wyong*
- *Warnervale*

The Northern Growth Corridor is the main industrial areas for the Central Coast as it includes the Tuggerah Business Park, Berkley Vale, North Wyong, Tuggerah and the Wyong Employment Zone. The Southern Growth Corridor includes Somersby, West and North Gosford, Lisarow and Erina.

The Wyong Employment Zone (WEZ) comprises the Warnervale Business Park, plus Precincts 11, 13 and 14.This area includes the Warnervale airport where a Concept Plan was prepared in 2017 by the former Wyong Council for a General Aviation Hub, but no implementation has been made by the Central Coast Council.

The Warnervale Business Park covers 47.6 hectares near the Freeway and Sparks Road interchange. A number of small logistics companies and distributors are based in the Park. Major businesses include Sanitarium, Woolworths Distribution Centre and Coastal transport Services. Wyong Shire Council has been investigating the potential of an integrated 'Wyong Educational and Business Precinct' to be located at Warnervale to encompass integrated education, business/industrial park for greater collaboration between educational providers and business/industry groups.

4. Proposed Development

The Property is located within a 'rural' locality although is well positioned in relation to Warnervale Town Centre and the M1 Motorway.

The Site has an undulating topography with the low point being the transection of the site by Buttonberry Creek.

Development Summary:

Stage 1

Lot	Position	Lot Area (Ha)	Lot Area (m²)	Lot Area (Ha)
1	Cnr Sparks / Hue Hue roads	1.98	19,800	1.98
2	Hue Hue Road	0.99	9,900	0.99
3	Hue Hue Road	1.08	10,800	1.08
4	Hue Hue Road	1.08	10,800	1.08
5	Hue Hue Road	1.22	12,200	1.22
6	Internal road	1.10	11,000	1.10
7	Internal road	0.89	8,900	0.89
8	Internal road	1.06	10,600	1.06
9	Internal road	1.49	14,900	1.49
10	Sparks Road	1.08	10,800	1.08
11	Sparks Road	1.00	10,000	1.00
12	Sparks Road/M1	0.98	9,800	0.98
13	Internal Road/M1	0.78	7,800	0.78
13		**14.73**	**147,300**	**14.73**

Stages 2-8

Stage	Lots Per Stage	Total Stage Area (Ha)	Total Stage Area (m²)	Average Lot area (m²)
2	13	7.71	77,100	5,931
3	9	8.18	81,800	9,089
4	9	7.70	77,000	8,556
5	5	4.37	43,700	8,740
6	7	4.62	46,200	6,600
7	5	3.54	35,400	7,080
8	8	4.74	47,400	5,925
TOTAL	**56**	**40.86**	**408,600**	**7,296**

5. Valuation Rationale

COVID 19

In the specific case of this valuation there are limited site sales for industrial englobo land parcels in Wyong in order to provide a guide to a suitable rate per square metre of site area to apply to the subject property. This may be more related to a general lack of potential supply of larger industrial land parcels in the Central Coast rather than any possible negative effects of COVID – 19.

We have been instructed to provide comment on potential value for the englobo development. As such, we have provided a project related site value for the initial Stage 1 of the development and added to this the englobo value for DA approved Stages 2-8. A market value range has been reported.

In order to determine a market value of Stage 1 we have undertaken a Hypothetical Feasibility Study (DCF).

We note the Hypothetical Feasibility is limited by the quality/integrity of the assumptions. In this instance there have been no pre-sales and we have not been provided with a formal construction quote or quantity surveyor confirmed costs.

Stage 1 - Hypothetical Feasibility Study (DCF) - Development Assumptions

Gross Realisations

For the purposes of this report, we have assessed hypothetical market values for each lot in Stage 1 on an "As If Complete" basis assuming they are complete, sold subject to full stamp duty obligations and with standard sale and settlement periods.

Overall, we note that selling agents are reporting broadly stable or improving serviced vacant land values over the course of 2020 and into 2021, notwithstanding the impact of COVID 19.

There have been limited sales in Warnervale and Wyong established industrial precincts, due mainly to these estates having been predominantly built out.

Providing reasonable comparable evidence for the subject property is the vacant industrial land subdivision providing serviced lots at Morisset which has been recently sold, with similar characteristics to the subject property, being its proximity to the M1 Motorway.

Property	Sale Price	Sale Date	Area	Zoning	Rate/m²
56 GATEWAY BOULEVARD MORISSET NSW 	$455,000	Nov 2020	1,835 m²	IN1 - General Industrial	$248
	Vacant industrial land which is level and cleared located in the comparatively recently expanded Morisset industrial precinct. Close proximity to the M1 Motorway on/off ramp.				

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Property	Sale Price	Sale Date	Area	Zoning	Rate/m²
59 ADVANTAGE AVENUE MORISSET NSW 	$722,000	Oct 2020	2,708 m²	IN1 - General Industrial	$260
	Vacant industrial land which is level and cleared located in the comparatively recently expanded Morisset industrial precinct. Close proximity to the M1 Motorway on/off ramp.				
32 ACCOLADE AVENUE MORISSET NSW 	$642,500	Oct 2020	2,570 m²	IN1 - General Industrial	$250
	Vacant industrial land which is level and cleared located in the comparatively recently expanded Morisset industrial precinct. Close proximity to the M1 Motorway on/off ramp.				
18 PROSPERITY CLOSE MORISSET NSW 	$394,000	Aug 2020	1,970 m²	IN1 - General Industrial	$200
	Vacant industrial land which is level and cleared located in the comparatively recently expanded Morisset industrial precinct. Close proximity to the M1 Motorway on/off ramp.				
5 VENTURE CLOSE MORISSET NSW 	$649,000	July 2020	2,708 m²	IN1 - General Industrial	$240
	Vacant industrial land which is level and cleared located in the comparatively recently expanded Morisset industrial precinct. Close proximity to the M1 Motorway on/off ramp.				

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We have also had regard to vacant industrial land sales in Newcastle and Hunter Valley regions.

Property	Sale Price	Sale Date	Area	Zoning	Rate/m²
10 KENNINGTON DRIVE TOMAGO NSW	$623,700	Sep 2020	4,158 m²	IN1 - General Industrial	$150
	Vacant industrial land which is level and cleared. Agent advised the Property sold to owner of neighbouring 12 Kennington Drive with intention to develop industrial units across both lots. No DA has been lodged to either lot prior to the sale.				
77 MUSTANG DRIVE RUTHERFORD NSW	$835,000	Aug 2020	7,028 m²	B5 Business Development	$119
	Vacant industrial Lot with main frontage to New England Highway. Concept plans or a workshop, showroom and specialised self-contained units with no current DA.				
16 BOARDMANS CLOSE BERESFIELD NSW	$2,040,000	Aug 2020	10,200 m²	IN2 – Light Industrial	$200
	Triangular shaped vacant parcel of industrial land sold in an off-market transaction. Agent Knight Frank Newcastle.				

Central Coast Council

Property	Sale Price	Sale Date	Area	Zoning	Rate/m²
4 DYER CRESCENT WEST GOSFORD NSW 	$380,000	Jul 2020	1,205 m²	IN1 - General Industrial	$315
	Approximately 1,205 m^2 of vacant land which is reasonably level and clear with gravel hardstand currently on site. The land is positioned well and within close proximity to a large range of services and other businesses within West Gosford's Industrial estate. It is located just off Manns Road with easy access. Centrally located, it is only about 5 minutes to the M1 Motorway which is then approximately 1 hour drive to Sydney or Newcastle and only a few minutes to the Gosford CBD. Property sold at auction exclusive of GST.				
LOT 1103 IVORY CLOSE HEATHERBRAE NSW 	$1,500,000	Jun 2020	11,000 m²	IN1 - General Industrial	$136
	Industrial land situated in the Heatherbrae industrial precinct accessed from the extension of Camfield Drive. Sold by Knight Frank Newcastle				
12 SABRE CLOSE RUTHERFORD NSW 	$1,199,500	Mar 2020	10,310 m²	B5 - Business Development	$116
	Vacant B5 zoned industrial land. Battleaxe design and adjoins a creek. A warehouse and distribution centre DA was approved on the site in July 2020. Sold for $1,319,450 incl GST. $1,199,500 plus GST. Requires hardstand addition prior to being a usable industrial site. Off market transaction.				

The sales of industrial vacant land parcels which have a site area of above 10,000m² reflect a range of $116/m² of site area to $200/m² of site area. With adjustments for land area, values towards the lower end or middle of this range are reasonable for the subject property.

Although directly comparable evidence is limited, industrial selling agents are reporting stronger inquiries for serviced industrial land. Higher values could be expected for the subject property in the current market as compared to those assessed in the previous report of 24 February 2020.

The subject is considered to have a strong industrial location being within close proximity to the Warnervale business precinct and close access to the M1 Motorway.

For inclusion in the Hypothetical Feasibility Study we have assessed the following indicative values for the proposed development.

Lot		Lot Area (m²)	Lot Area (Ha)	Adopted Gross Realisation (Incl. GST)	$Rate/m² (lot area)
1	Cnr Sparks / Hue Hue roads	19,800	1.98	$2,000,000	$101
2	Hue Hue Road	9,900	0.99	$1,300,000	$131
3	Hue Hue Road	10,800	1.08	$1,300,000	$120
4	Hue Hue Road	10,800	1.08	$1,300,000	$120
5	Hue Hue Road	12,200	1.22	$1,300,000	$107
6	Internal road	11,000	1.10	$1,300,000	$118
7	Internal road	8,900	0.89	$1,300,000	$146
8	Internal road	10,600	1.06	$1,300,000	$123
9	Internal road	14,900	1.49	$1,650,000	$111
10	Sparks Road	10,800	1.08	$1,300,000	$120
11	Sparks Road	10,000	1.00	$1,300,000	$130
12	Sparks Road/M1	9,800	0.98	$1,300,000	$133
13	Internal Road/M1	7,800	0.78	$1,120,000	$144
13		**147,300**	**14.73**	**$17,770,000**	**$121**

Important Notice

Our adopted "As If Complete" values for the various components of the project do not represent a forecast "on Completion" value and the Reliance Party should seek a separate valuation of these components once the project is constructed and a certification of completion issued by the approving body.

Development Costs

We note that it is difficult to compare development costs from other industrial subdivisions to the subject subdivision given such potential for variation in site specific characteristics, importantly the extent of site works/fill required and/or amplification of services.

We have relied upon costs for the englobo development (120 lots) detailed in the Project Approval as previously supplied by Central Coast Council. We note that these costs were well dated and as such, we have included a 20% contingency which is significantly above a standard industry allowance of say 5.0%.

The adopted costs and assumptions in our feasibility analysis are summarised as follows:

Inputs	Assumptions	
Gross Realisations	As detailed above	
Rate of Sales	Presales	3 lots over 6 months – 0.50 sales / month
	Sales Over Construction	3 lots over 8 months – 0.38 sales / month
	Sales Post Construction	7 lots over 12 months – 0.58 sales / month
Selling Costs	Project Marketing	$5,500/lot
	Agents Commission	3.0% (inclusive of GST)
	Legals on sale	$1,100 per saleable lot
Construction Costs (Civils and Servicing)	Subdivision	$351,014 per lot incl GST (13 lots)
	Contingency	$912,636 incl. GST (20% subdivision costs)
Professional Fees	Allowance	$472,911 or 9.5% construction (DA achieved)
Project Oversight	1.5% or $150,855 incl GST	
Construction Certificate	Not issued.	Cost incl in Professional/Statutory cost
Section 94s and DSP Contributions	$1,544,944	Per Development Approval. KF escalation allowance of +10%
Land Holding Costs	$129,038 allowance for land tax and council rates (for Stage 1 only)	
Finance Charges	$22,000 Loan Establishment Fee	
Interest Rate	6.00% assuming 100% debt financed	

It is noted that we are not experts in this field and have made assumptions regarding all project costs to assist in determining the market value of Stage 1, subject to the existing Development Consent. Prior to reliance on this advice, independent Quantity Surveyor advice should be sought and pre-sales achieved.

Target Return Parameters

The determination of the appropriate Target Profit Margin (P&R) and appropriate Internal Rate of Return (IRR) to utilise in our calculations is difficult as influences on the target return requirements of investors are varied and greatly impacted by a number of key elements. We have considered the following key elements of the project;

- The current low interest rate environment as an opportunity cost of investment;
- Since the onset of COVID – 19, the reported apparent economic recovery and improving investment confidence;
- The size and length of the project;
- Level of planning risk (Masterplan Approval for lots 69 lots);
- The uncertainty around development costs, and the various assumptions we have made in respect to such costs;
- The *perceived* availability of funding and propensity of the first tier banks to support a development of this nature;
- Availability of alternative investment returns across other asset classes;
- Fundamental trends of supply and demand for this style of development;
- Construction time frame and cost.

From our analysis of sales and first-hand experience of residential development projects across the regional market of Central Coast and Newcastle, local developers return requirements appear relatively consistent and reflect the nature of the market segment each project occupies.

These return parameters reflect:

- The principal development risks,
- Development timeframes,
- Zoning and planning risks,
- Presales, sales risk and revenue expectations,
- Purchaser type and demographic demands,
- Fundamental demand and supply within a locality as well as the complexity and building risk associated with the project construction.

Due to the nature of most development projects being, typically less than three years duration the primary driver of return in the residual feasibility analysis is the Profit and Risk (P&R) which reflects a pure quantum of profit return on the project**. Typically, Internal Rates of Return (IRR's) are the domain of more sophisticated large listed property developers or land subdivisions whereby the project duration may extend to beyond five or even 10 years.**

The following is an example of the typical required Profit and Risk ranges;

25% - 30% Target returns of this level are usually required for larger long term projects that tend to span periods in excess of three years and still have considerable planning risk (re-zoning required or approvals) and have yet to achieve significant project targets such as DA or Local Authority endorsement.

20% - 25% Target returns of this level are usually reflective of medium to larger long term projects that tend to span periods of two to four years and still have some planning risk (i.e. no DA approval) and have yet to achieve significant project targets such as presales, but may have advanced project planning to a point of seeking pre DA endorsement from the Local Authority.

15% - 20% Target returns in this band are common for medium term projects that have achieved significant project targets such as DA, local authority endorsement, presales or significant construction commencement.

10% - 15% Target returns at this level are more often accepted in the marketplace for smaller DA approved development sites that generally occupy the price band of below ~$5,000,000 and can be built in less than 12 months. These sites tend to be purchased by local builder-developers motivated by the '*pure profit quantum'* rather than the more sophisticated and analytical P&R's or IRR's. Returns of this level will also be acceptable if a development project has achieved significant milestones or has advanced construction and has been presold.

As with all Target parameters they remain fluid, are derived and constantly reviewed by way of analysing transactions to reflect the current market conditions, interest rate returns and availability of funding. An element of professional judgement is required to assess the stage of development each project has reached.

Central Coast Council

Analysis – Stage 1

Having considered the above and the fundamental elements of the subject project an appropriate Target Profit and Risk return should be in the order of **circa 25% to 30**% and a Target Internal Rate of Return (IRR) should be in excess of 30%. We note the greater reliance upon the Target Profit and Risk approach given the shorter timeframe of Stage 1.

Hypothetical Feasibility Study – Results Summary

A summary of the analysis based on industry indicated hurdle rates/expectations for a development margin after interest and an Internal Rate of Return (IRR) before interest is as follows:

Our DCF calculations are detailed as follows:

Development Feasibility Summary						
Discounted Cash Flow Analysis						
Gross Realisation						
Stage 1 Sales (Incl. GST)	$17,770,000					
Less calculated GST remittance	-$1,615,455					
Gross Realisable Value			**$16,154,545**			
Less Selling Costs		-$618,900				
Estimated Net Realisation			**$15,535,645**			
Less: Development Profit and Risk		-$3,648,889				
Total Capital Outlay			**$11,886,756**			
Development Costs (Incl. GST)		-$8,351,339				
GST reclaimed per model		$1,005,273				
Costs (after GST reclaimed)			**$4,540,690**			
Land Acquisition Costs		-$250,690				
			Value Range / Sensitivity (Development Margin)			
Resultant Residual Land Value			**$4,290,000**	**$3,900,000**	**$4,675,000**	**$4,250,000**
			(Incl GST)	**(Excl GST)**	**(Incl GST)**	**(Excl GST)**
On a per lot basis	13			$300,000		$326,923
On a rate per m² of site area	147,300			$26		$29
On a per Ha basis	14.73			$264,766		$288,527
Target Profit and Risk				**30.00%**		**25.00%**
Profit & Risk on basis of Resultant Figure				**29.18%**		**24.98%**
Target Internal Rate of Return				Plus 30%		Plus 30%
IRR on basis of Resultant Figure				**39.26%**		**33.98%**

An indicative Project Related Site Value for **Stage 1** with DA Consent for 13 industrial allotments is $4,290,000 to $4,675,000 including GST or **$3,900,000 to $4,250,000 excluding GST, reflecting a Profit and Risk factor within a range of 25% to 30%.** This profit quantum / Development Margin are consistent with market norms. We append our Estate Master calculations (based on 30% Development Margin) to this report.

Direct Comparison Approach

This approach identifies comparable sales on a dollar rate per hectare or square metre of site area and compares the equivalent rates to the subject to establish the Property's market value for Stage 1.

Englobo Site Sales

Property	Sale Price	Sale Date	Site Area	Zoning	Rate/m²
LOT 6, 71 INDUSTRIAL DRIVE, MAYFIELD WEST NSW	$3,850,000	Oct 2019	10.16 ha	SP1 Special Activities	$38
	Purchased by adjoining owner Sentinel. The site adjoins Sentinel's industrial investment at 51 Industrial Drive, Mayfield, which was purchased for $31 million in 2015. The site is predominantly cleared of vegetation. No direct port or road access limiting the development options for the site. Providing road access from Industrial Drive may be achievable although at a significantly high cost. Analysis $378,937/Ha				
38 CABBAGE TREE ROAD WILLIAMTOWN NSW	$19,660,000	Jan 2019	76.52 ha	B7 Business Park	$26
	Vacant land adjoining Williamtown Airport. About 66ha is zoned B7 Business Park with the remaining 10 ha zoned RU2 Rural Landscape. Off market purchase by Newcastle Airport Ltd to accommodate its Astra Aerolab precinct. The contract date is to be confirmed however we understand the purchase is structured with an upfront payment and further annual payments as development stages progress. Analysis $256,926/Ha				

Central Coast Council

Property	Sale Price	Sale Date	Site Area	Zoning	Rate/m²
43-45 GREENLEAF ROAD KOORAGANG NSW	$7,600,000	Dec 2018	24.33 ha	SP1 Special Activities	$31
	The Property is situated on the western side of Greenleaf Road just south of the Stockton Bridge in the Kooragang Island industrial area, located approximately 10km by road north of the city of Newcastle. The property has access to and from Heron Road in the west via an easement for access 19 metres wide over adjoining land. The site was purchased by Eastern Star Gas (Santos) and was mooted for a liquefied natural gas (LNG) export terminal, however this did not eventuate. The property had been on the market for sale for several years, and an agreement to purchase was reached subject to DA Approval for subdivision into a 12 lot Community Title Subdivision. Development Consent was achieved on 24 November 2018, with the transaction settling as per RP Data records on 17 December 2018. Analysis $312,372/Ha				
BALANCE OF LAND - STEEL RIVER PAMBALONG DRIVE MAYFIELD WEST NSW	$4,500,000	Oct 2017	20.12 ha	IN1 General Industrial	$22
	The site comprises the balance of land at Steel River previously owned by Tinkler Group. The land went into receivership and has subsequently been sold. Throughout the sale campaign approximately 12-15 stockpiles of fill were supposedly contaminated with an estimated remediation cost ranging between $2-$m as advised by the receivers. The purchasers have since discovered there the stockpiles are not contaminated, significantly reducing the remediation costs of the site. Analysis $223,658/Ha				

Central Coast Council

Property	Sale Price	Sale Date	Site Area	Zoning	Rate/m²
147 MOUNTAIN ROAD HALLORAN NSW	$3,250,000	Sep 2017	26.2 ha	IN1 General Industrial, E2 Environmental Conservation	$11
	Englobo parcel of land located on the eastern side of Mountain Road. Parcel comprises approximately 20 hectares of IN1 General Industrial with the balance zoned E2 Environmental Conservation. Improved with 3 houses (2 of which are habitable), old stables, and machinery shed. Property was purchased by Moits Civil Engineering for future development of an industrial subdivision. In the interim the purchaser will utilise the site as a local depot for projects they are working on in the local area. Rate per square metre over the developable area reflects a rate of $16.25/m². Property was purchased by Moits Civil Engineering for future development of an industrial subdivision. In the interim the purchaser will utilise the site as a local depot for projects they are working on in the local area. Rate per square metre over the IN1 zoned area reflects $16.25/sqm. We have adopted $1,000,000 as the value of the E2 zoned land and the improvements resulting in the IN1 zoned land having a value of $2,250,000 or $11.25/sqm Analysis $124,046/Ha				
198 LENAGHANS DRIVE BLACK HILL NSW	$16,000,000	Jan 2015	183 ha	IN2 Light Industrial; E2 Environmental Conservation	$9
	Ex-Coal and Allied land, the site is known as Black Hill Estate at Black Hill with significant frontage and exposure to the M1 Motorway. Site was one of the largest freehold industrial englobo sites for sale in New South Wales. Site comprises 73% of IN2 Industrial land with the balance zoned E2 Environmental Conservation. The site was purchased by Hunter Land and Stevens Group who have entered into a JV with plans to develop the land into a 200 lot industrial subdivision over 8 stages. The DA currently pending approval proposes varying lot sizes ranging from 1,500m² through to larger lots exceeding 3 ha. The development proposes entrance to the site from John Renshaw Drive with a traffic light intersection as well as secondary left in-left out access further to the east. Analysis $87,432/Ha $$80,000/lot				

The above sales indicate a range per hectare from $87,432 for a very large parcel of industrial land at Black Hill to $312,372 for a 24 hectare site in the well established specialised port/coal precinct at Kooragang Island, Newcastle and a higher rate at $378,937 for a smaller site of 10.16 hectares at Industrial Drive Mayfield West. The sales reflect a rate per square metre of $9/m^2 to $38/m^2 of site area.

We are advised that the Property was to be sold at an agreed purchase price of $17,000,000 excluding GST (not confirmed). Allowing $510,000 for the E2 zoned land this reflects circa $296,636 per hectare over the estimated 55.59 square metres of developable land for stages 1-8. **We understand that this sale will not proceed.**

Given the location, land size, zoning and topography of the subject site we consider a suitable rate per hectare in the range of $32.50/m^2 to $37.50/m^2 is appropriate to the subject. Given the lack of directly comparable larger englobo land parcels and the lack of confirmed development costs and pre-sales, we have not assessed a higher rate for the subject englobo site, since our report of February 2020. Our calculations follow:

Net Developable Area (m²)	rate ($) / sqm	Resulting Value
408,600	$32.50	$13,279,500
408,600	$37.50	$15,322,500
Overall		
Adopt for Residual land (stages 2-8)	$13,300,000	$15,300,000
Residual Stage 1 Land Value - Range	$3,900,000	$4,250,000
Resulting Range - Overall	$17,200,000	$19,200,000
Adopt Indicative Range	**$17,000,000**	**$19,500,000**

Comment on Potential Disposal

We understand that this advice forms part Council's asset disposal program. We would expect that a realisation of the subject property would fall somewhere towards the middle of our advised range.

Comment on Historical Industrial Land Value Growth

We have been asked to provide commentary on expected capital growth of industrial land. We are not qualified to comment on future growth, however, have analysed sales of industrial land in Central Coast and Newcastle locations which provides an indicative historical growth rate. The average growth rates are limited by the following factors:

- Commercial land zones vary (although predominantly industrial)
- We are not aware of the circumstances behind each transaction
- We have not had regard to sales of englobo industrial land parcels, due to lack of availability

Any or all of the above factors may skew the average growth rates and therefore the reported rates are indicative only. Since our previous report of February 2020, we have analysed the following additional sales. Overall, land values appear to have increased over the course of 2020 and into 2021, although an accurate growth rate is difficult to quantify and will depend on the circumstances of each industrial estate.

Central Coast Council

Sale Date	Oct-18	Dec-18	Feb-19	Jul-19	Oct-20	Aug-20	Nov-20	Overall	Av. Annual Growth
Industrial Land Sales									
56 Gateway Bvd Morisset				$417,500			$455,000	9%	9%
15 Poynton Pl Thornton	$1,320,000				$1,850,000			40%	20%
37 Mustang Dr Rutherford			$454,545	$590,909				30%	30%
77 Mustang Dr Rutherford		$750,000				$835,000		11%	6%

The above table indicates a broad range of values and the results may not be statistically significant to determine a more recent trend. Supporting the above strong growth, industrial selling agents are reporting reasonable demand for serviced industrial land in well located industrial precincts.

Central Coast Council

6. Conclusion

Acting under instructions from Joe O'Connor from Central Coast Council Knight Frank Newcastle has undertaken an initial desktop assessment of market value for Warner Industrial Park, Sparks Road & Hue Hue Road, Warnervale NSW 2259. We confirm that we have not fully inspected the Property.

Subject to the overriding stipulations contained within the body of this advice, we are of the opinion that the indicative range for the subject property assuming a sale of the freehold interest and relevant to prevailing levels of value as at 12 January 2021 for potential disposal purposes is:

Indicative Site Value Range with DA consent for Stage 1 together with the Residual Land (stages 2-8)

$17,000,000 to $19,500,000 (excluding GST)

Should you need any further clarification in relation to this advice, please do not hesitate to contact the undersigned.

[redacted]

Knight Frank Newcastle

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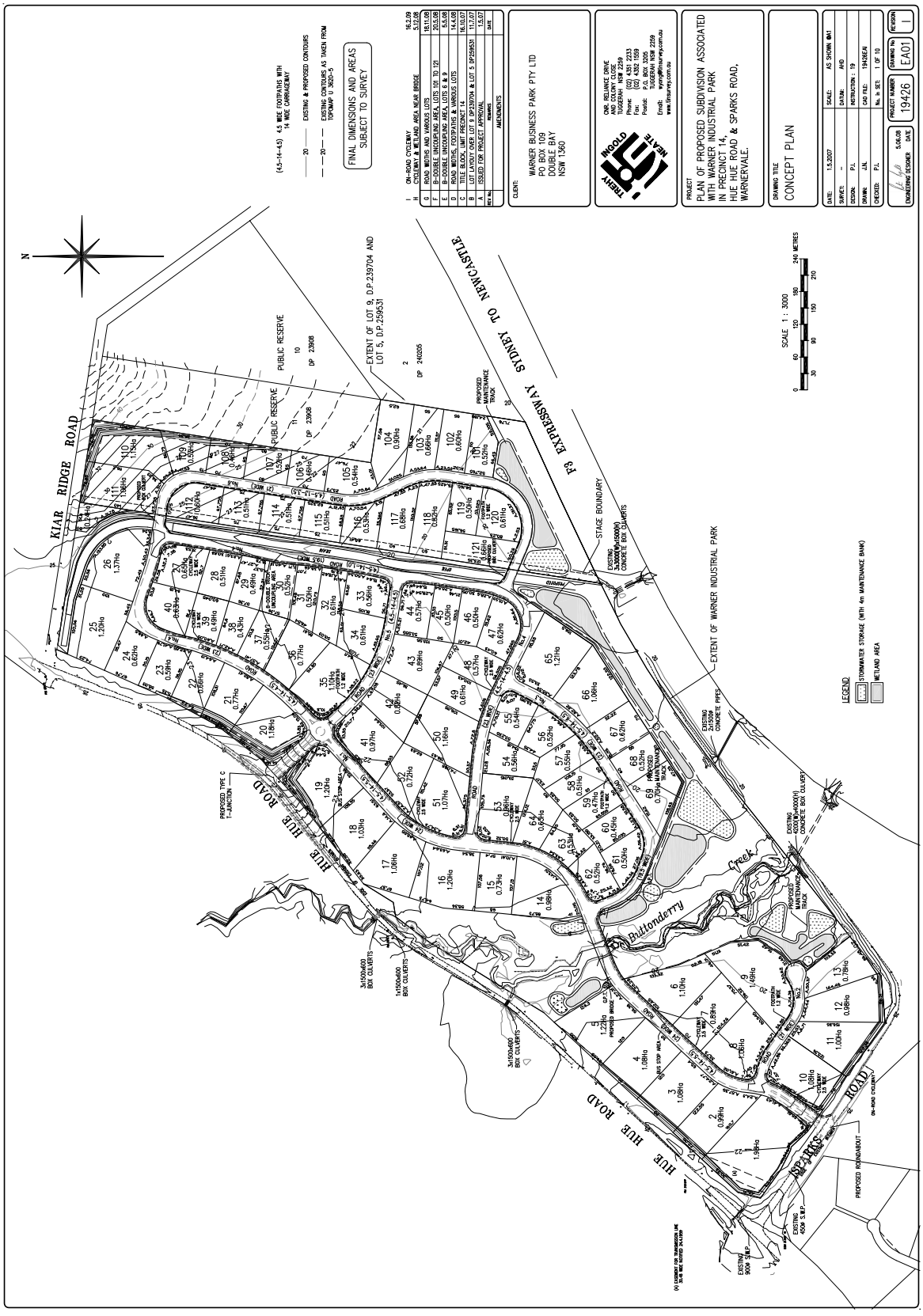
PROPOSED PLAN - SUBDIVISION PLAN


KIAR RIDGE ROAD
HUE HUE ROAD
HUE HUE ROAD
SPARKS ROAD
PACIFIC HIGHWAY (F3 EXPRESSWAY) SYDNEY TO NEWCASTLE
EXTENT OF WARNER INDUSTRIAL PARK
STAGE BOUNDARY
PUBLIC RESERVE
EXTENT OF LOT 9, D.P.239704 AND LOT 5, D.P.259531
Buttonderry Creek
PROPOSED ROUNDABOUT
FINAL DIMENSIONS AND AREAS SUBJECT TO SURVEY
LEGEND
STORMWATER STORAGE (WITH 4m MAINTENANCE BANK)
WETLAND AREA
SCALE 1 : 3000
PROJECT
PLAN OF PROPOSED SUBDIVISION ASSOCIATED WITH WARNER INDUSTRIAL PARK IN PRECINCT 14, HUE HUE ROAD & SPARKS ROAD, WARNERVALE.
DRAWING TITLE
CONCEPT PLAN
CLIENT:
WARNER BUSINESS PARK PTY LTD
PO BOX 1067
DOUBLE BAY
NSW 1360
PROJECT NUMBER 19426
DRAWING No. EA01
REVISION 1

Knight Frank

ESTATE MASTER

Main Inputs for Industrial Subdivision

Stage 1 - PRSV subject to DA Consent

PRELIMINARY

Cash Flow Title	Stage 1	Description of Option/Stage	PRSV subject to DA Consent
Date of First Period:	Jan-2020		
Cash Flow Rest Period:	Monthly		
Project Size (a)	109.00	Lots	
Project Size (b)		GFA	
Site Area	147,300.00	SqMi	0 :1

Type	Industrial
Status	Approved

GOODS & SERVICES TAX

Using General Tax Rule

Goods and Services Tax Rate	10.00%

Developer	Credits Reclaimed in the Same Month	Liability Paid in the Same Month	Liability on Sales All Paid by Developer

All Project Costs	To be entered Inclusive of GST
Rental Income & Leasing Costs	To be entered Inclusive of GST
Sales Revenue	To be entered Inclusive of GST
Other Income	To be entered Inclusive of GST

1000 LAND PURCHASE & ACQUISITION COSTS

Costs to be entered Inclusive of GST

Land Purchase Price	4,290,000

Code	Stage		% of Land Purchase Price % paid	Amount	AND/OR Lump Amount	Month Start	Month Span	Cash Flow Period	GST Included on Land Price? Y (Reclaim All After Final Land Settlement)	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
1002	-	Deposit In Trust Account [1]	10.00%	429,000	-	0	1	Jan-20 - Jan-20		390,000	429,000	429,000
1003	-	Payment 1	0.00%	-	-	0	-	-		-	-	-
1004	-	Payment 2	0.00%	-	-	0	-	-		-	-	-
1005	-	Payment 3	0.00%	-	-	0	-	-		-	-	-
1006	-	Payment 4	0.00%	-	-	0	-	-		-	-	-
1007	-	Settlement (Balance)	90.00%		3,861,000	1	1	Feb-20 - Feb-20		3,510,000	3,861,000	3,861,000
1008	-	Stamp Duty [1]	NSW		240,790	1	1	Feb-20 - Feb-20	(Stamp Duty calculated on Land Value of 4,290,000 inc. GST)	240,790	240,790	240,790
		Interest on Deposit in Trust Account	0.00%	Interest from deposit shared between parties					Stamp Duty	240,790	240,790	240,790
		Profit Share to Land Owner	0.00%	Paid progressively as project makes a profit.					TOTAL	4,140,790	4,530,790	4,530,790

Code	Stage	Other Acquisition Costs (To be entered Inclusive of GST)	% of Land Price exc Tax % paid	Amount	AND/OR Lump Amount	Month Start	Month Span	Cash Flow Period	GST Included	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
1011	-	Legals / DD on purchase	0.00%	-	9,900	1	1	Feb-20 - Feb-20	Y		9,000	9,900	9,900
1012	-	.	0.00%	-	-	0	-	-	Y		-	-	-
1013	-	.	0.00%	-	-	0	-	-	Y		-	-	-
1014	-	.	0.00%	-	-	0	-	-	Y		-	-	-
1015	-	.	0.00%	-	-	0	-	-	Y		-	-	-
										Manual Input (refer to Cash Flow)	-	-	-
										TOTAL	9,000	9,900	9,900

[1] (No GST credit available for Stamp Duty)

[2] Pro-rata with Land Payments ('L')

COST ESCALATION

Monthly Compounded Escalation - based on Cashflow Period Years commencing

Code		Jan-20	Jan-21	Jan-22	Jan-23	Jan-24	Jan-25	Jan-26	Jan-27	Jan-28	Jan-29
	Professional Fees	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
	Construction Costs (Uncategorised)	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
SUB	Subdivision Costs	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
STG	Stage Costs	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
BUI	Built Form	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
OT1	Other	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
OT2	Other	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
	Statutory Fees	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
	Section 94s	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
	Long Service Levy	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
	Miscellaneous Costs 3	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
	Land Holding Costs	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
	Selling and Leasing Costs	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
	Finance Costs	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

2000	PROJECT CONTINGENCY	-	And / Or	0.00%	of Construction, Professional (exc Development Management), Statutory Fees, Section 94s, Long Service Levy, Miscellaneous Costs 3 and Pre-Sale Commissions	GST	0.00%	TOTAL	-

Main Inputs for Industrial Subdivision

Stage 1 - PRSV subject to DA Consent

3000 PROFESSIONAL FEES

Costs to be entered Inclusive of GST

Code	Stage	Description	% of Construct. [1]	AND / OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve	Month Start [2]	Month Span	Cash Flow Period	GST Included	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
3001	-	Stage 1	9.50%			-	-	C		Jul-20 - Feb-21	Y	KF Allowance	429,919	472,911	472,911
3002	-		0.00%			-	-			-	Y		-	-	-
3003	-		0.00%			-	-			-	Y		-	-	-
3004	-		0.00%			-	-			-	Y		-	-	-
3005	-		0.00%			-	-			-	Y		-	-	-
3006	-		0.00%			-	-			-	Y		-	-	-
3007	-		0.00%			-	-			-	Y		-	-	-
3008	-	.	0.00%	-	-	-	-			-	Y		-	-	-
3009	-	.	0.00%	-	-	-	-	0	-	-	Y		-	-	-
3010	-	.	0.00%	-	-	-	-	0	-	-	Y		-	-	-
3011	-	.	0.00%	-	-	-	-	0	-	-	Y		-	-	-
3012	-	.	0.00%	-	-	-	-	0	-	-	Y		-	-	-
3013	-	.	0.00%	-	-	-	-	0	-	-	Y		-	-	-
3014	-	.	0.00%	-	-	-	-	0	-	-	Y		-	-	-
3015	-	.	0.00%	-	-	-	-	0	-	-	Y		-	-	-
		[1] % Based on Net Costs						[2] Pro-rata with Construction ('C')							
3099	-	Development Management	1.50%	% of Project Costs (inc Land but exc Finance & Tax)			-	C	-	Jul-20 - Feb-21	Y		153,160	168,476	168,476
		[3] Dev Mgmt Fee: Pro-rata with Construction ('C'), Settlements ('S'), Project Costs inc Land ('P1') or exc Land ('P2')										Manual Input (refer to Cash Flow)	-	-	-
												TOTAL	583,080	641,388	641,388

4000 CONSTRUCTION COSTS

Costs to be entered Inclusive of GST

Code	Stage	Description	Cost Type	Units	Base Rate / Units	Escalate (E,R,N)1	S-Curve	Month Start	Month Span	Cash Flow Period	GST Included	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
4001	-	.	-	-	-	-	-		-	-			-	-	-
4002	-	Stage 1 - Civil Construction	-	13	257,986	-	-	6	8	Jul-20 - Feb-21	Y	Per Environ Assessment Report (Section 5.2)	3,048,924	3,353,817	3,353,817
4003	-		-	-		-	-			-		(includes clearance, earthworks, stabilisation	-	-	-
4004	-	Stage 1 - External Infrastructure	-	13	58,483	-	-	6	8	Jul-20 - Feb-21	Y	roadworks, drainange, sewerage, water, power, water qua	691,167	760,283	760,283
4005	-		-	-		-	-			-			-	-	-
4006	-	Stage 1 - Landscape treatment works	-	13	34,545	-	-	6	8	Jul-20 - Feb-21	Y		408,254	449,079	449,079
4007	-		-			-	-			-			-	-	-
4008	-		-			-	-	0		-	Y		-	-	-
4009	-		-	-	-	-	-	0	-	-	Y		-	-	-
4010	-	.	-	-	-	-	-	0	-	-	Y		-	-	-
4011	-	.	-	-	-	-	-	0	-	-	Y		-	-	-
4012	-	.	-	-	-	-	-	0	-	-	Y		-	-	-
4013	-	.	-	-	-	-	-	0	-	-	Y		-	-	-
4014	-	.	-	-	-	-	-	0	-	-	Y		-	-	-
4015	-	.	-	-	-	-	-	0	-	-	Y		-	-	-
4016	-	.	-	-	-	-	-	0	-	-	Y		-	-	-
4017	-	.	-	-	-	-	-	0	-	-	Y		-	-	-
4018	-	.	-	-	-	-	-	0	-	-	Y		-	-	-
4019	-	.	-	-	-	-	-	0	-	-	Y		-	-	-
4025	-	.	-	-	-	-	-	0	-	-	Y		-	-	-
		[1] Escalation ('N' = no escalation, 'E' = escalation to start period, 'R' = escalation to start period and through span)										Manual Input (refer to Cash Flow)	-	-	-
4099		**Construction Contingency**		-	And / Or	20.00%	of Construction Costs (inc GST)				GST	10.00%	Construction Contingency	829,669	912,636	912,636
													TOTAL	4,978,014	5,475,815	5,475,815

5000 Statutory Fees

Costs to be entered Inclusive of GST

Code	Stage	Description	Units	Base Rate / Units	Escalate (E,R,N)	S-Curve	Month Start	Month Span	Cash Flow Period	GST Included	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
5001	-		-	-	-	-		-	-			-	-	-
5002	-				-	-			-			-	-	-
5003	-	Statutory Fees/ DSPs/Contributions/ Consultancies	13	118,846	-	-	5	1	Jun-20 - Jun-20	N	Cost per Development Approval,	1,544,994	1,544,994	1,544,994
5004	-	(Allowance of 10% for escalation)			-	-			-		KF allowance of 10% for escalation	-	-	-
5005	-				-	-			-			-	-	-
5006	-				-	-			-			-	-	-
5007	-				-	-			-			-	-	-
5008	-				-	-			-			-	-	-
5009	-	.	-	-	-	-	0	-	-	Y		-	-	-
5010	-	.	-	-	-	-	0	-	-	Y		-	-	-
5011	-	.	-	-	-	-	0	-	-	Y		-	-	-
5012	-	.	-	-	-	-	0	-	-	Y		-	-	-
5013	-	.	-	-	-	-	0	-	-	Y		-	-	-
5014	-	.	-	-	-	-	0	-	-	Y		-	-	-
5015	-	.	-	-	-	-	0	-	-	Y		-	-	-
											Manual Input (refer to Cash Flow)	-	-	-
											TOTAL	1,544,994	1,544,994	1,544,994

Main Inputs for Industrial Subdivision

Stage 1 - PRSV subject to DA Consent

6000 Section 94s

Costs to be entered Inclusive of GST

Code	Stage	Description	%of Construction[1]	AND / OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve	Month Start[2]	Month Span	Cash Flow Period	GST Included	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
6001	-	.		-	-	-	-		-	-			-	-	-
6002	-	See above				-	-			-	N	Per DA Consent	-	-	-
6003	-					-	-			-			-	-	-
6004	-					-	-			-			-	-	-
6005	-					-	-			-			-	-	-
6006	-					-	-			-			-	-	-
6007	-					-	-			-			-	-	-
6008	-					-	-			-			-	-	-
6009	-			-	-	-	-			-			-	-	-
6010	-	.		-	-	-	-		-	-			-	-	-
												Manual Input (refer to Cash Flow)	-	-	-
												TOTAL	-	-	-

[1] Based on net costs. [2] Pro-rata with Construction ('C') or Settlements ('S')

6000 Long Service Levy

Costs to be entered Inclusive of GST

Code	Stage	Description	%of Construction[1]	AND / OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve	Month Start[2]	Month Span	Cash Flow Period	GST Included	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
6001	-	.		-	-	-	-		-	-			-	-	-
6002	-	See above allowance	0,00%			-	-			-			-	-	-
6003	-		0,00%		-	-	-			-			-	-	-
6004	-		0,00%			-	-			-			-	-	-
6005	-		0,00%		-	-	-			-			-	-	-
6006	-		0,00%			-	-			-			-	-	-
6007	-		0,00%			-	-			-			-	-	-
6008	-		0,00%			-	-			-			-	-	-
6009	-	.	0,00%			-	-		-	-			-	-	-
6010	-	.	0,00%	-	-	-	-	0	-	-			-	-	-
												Manual Input (refer to Cash Flow)	-	-	-
												TOTAL	-	-	-

[1] Based on net costs. [2] Pro-rata with Construction ('C') or Settlements ('S')

6000 Miscellaneous Costs 3

Costs to be entered Inclusive of GST

Code	Stage	Description	%of Construction[1]	AND / OR No. Units	Base Rate / Unit	Escalate (E,R,N)	S-Curve	Month Start[2]	Month Span	Cash Flow Period	GST Included	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
6001	-	.	0,00%	-	-	-	-	0	-	-	Y		-	-	-
6002	-	.	0,00%	-	-	-	-	0	-	-	Y		-	-	-
6003	-	.	0,00%	-	-	-	-	0	-	-	Y		-	-	-
6004	-	.	0,00%	-	-	-	-	0	-	-	Y		-	-	-
6005	-	.	0,00%	-	-	-	-	0	-	-	Y		-	-	-
6006	-	.	0,00%	-	-	-	-	0	-	-	Y		-	-	-
6007	-	.	0,00%	-	-	-	-	0	-	-	Y		-	-	-
6008	-	.	0,00%	-	-	-	-	0	-	-	Y		-	-	-
6009	-	.	0,00%	-	-	-	-	0	-	-	Y		-	-	-
6010	-	.	0,00%	-	-	-	-	0	-	-	Y		-	-	-
												Manual Input (refer to Cash Flow)	-	-	-
												TOTAL	-	-	-

[1] Based on net costs. [2] Pro-rata with Construction ('C') or Settlements ('S')

7000 LAND HOLDING COSTS

Costs to be entered Inclusive of GST

Code	Stage	Description	No. Units	Base Rate /unit/term	Term [1]	Escalate (E,R,N)	Month Start	Month Span[2]	Cash Flow Period	GST Included	Remarks	Total Annual Costs (exc GST)	Total Annual Costs (inc GST)	Total Escalated Cost
7001	-	.	-	-	M	-		-	-			-	-	-
7002	-	Council/Other	1	5,000	Q	-	1	DS	Feb-20 - Feb-22	N	Allowance for Stage 1	20,000	20,000	29,038
7003	-				M	-			-			-	-	-
7004	-	Land Tax	1	50,000	Y	-	1	DS	Feb-20 - Feb-22	N	Allowance for STage 1	50,000	50,000	100,000
7005	-	.	-	-	M	-	0	-	-	Y		-	-	-
7006	-	.	-	-	M	-	0	-	-	Y		-	-	-
7007	-	.	-	-	M	-	0	-	-	Y		-	-	-
7008	-	.	-	-	M	-	0	-	-	Y		-	-	-
7009	-	.	-	-	M	-	0	-	-	Y		-	-	-
7010	-	.	-	-	M	-	0	-	-	Y		-	-	-
7011	-	.	-	-	M	-	0	-	-	Y		-	-	-
7012	-	.	-	-	M	-	0	-	-	Y		-	-	-
											Manual Input (refer to Cash Flow)	-	-	-
											TOTAL	70,000	70,000	129,038

[1] Y=Yearly, BA=BiAnnualy, Q=Quarterly, BM=BiMonthly, M=Monthly [2] Diminish proportionally with Leasing ('DR') or Settlements ('DS')

Main Inputs for Industrial Subdivision

Stage 1 - PRSV subject to DA Consent

REVENUE ESCALATION

Monthly Compounded Escalation - based on Cashflow Period Years commencing

Code	Category	Jan-20	Jan-21	Jan-22	Jan-23	Jan-24	Jan-25	Jan-26	Jan-27	Jan-28	Jan-29
RS1	Residential - 1 Bedroom Units	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RS2	Residential - 2 Bedroom Units	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RS3	Residential - 3 Bedroom Units	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RDD	Detached Dwellings Lots	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RTH	Townhouse Lots	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COM	Commerical Office	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RET	Retail Shops	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
IND	Industrial Units	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
STW	Storage & Warehousing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
OTH	Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Rental escalation occurs up to lease start date. For rent review escalation during lease period refer to the Tenants sheet.

8000 SELLING & LEASING COSTS

			Sales Commission[1]	% of Comm. Pre-sales[2]	Deposits (% of Price)[3]	GST Included	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
8001	RS1	Residential - 1 Bedroom Units	0.00%	0.00%	0.00%	Y		-	-	-
8002	RS2	Residential - 2 Bedroom Units	0.00%	0.00%	0.00%	Y		-	-	-
8003	RS3	Residential - 3 Bedroom Units	0.00%	0.00%	0.00%	Y		-	-	-
8004	RDD	Detached Dwellings Lots	0.00%	0.00%	0.00%	Y		-	-	-
8005	RTH	Townhouse Lots	0.00%	0.00%	0.00%	Y		-	-	-
8006	COM	Commerical Office	0.00%	0.00%	0.00%	Y		-	-	-
8007	RET	Retail Shops	0.00%	0.00%	0.00%	Y		-	-	-
8008	IND	Industrial Units	3.00%	0.00%	0.00%	Y	KF Allowance	484,636	533,100	533,100
8009	STW	Storage & Warehousing	0.00%	0.00%	0.00%	Y		-	-	-
8010	OTH	Other	0.00%	0.00%	0.00%	Y		-	-	-
							TOTAL	484,636	533,100	533,100

[1] % of Gross Sale Values (induding Tax). The rate entered is Inclusive of GST
[2] Percentage of Sales Commission paid at exchange date for pre-sales
[3] Percentage of price deposited on exchange (for pre-sales)

Pre-sale Comm are reported as a	Project Cost

Interest Rate on Deposits Invested in Trust Account	0.00%
% of Interest retained by Developer upon Settlement	0.00%

Code	Stage	Other Selling Costs (To be entered Inclusive of GST)	% of Gross Sales	AND / OR No. Units	Base Rate / Unit	Escalate (E,R,N)	Month Start	Month Span	Cash Flow Period	GST Included	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
8101	-	Marketing Allowance		-		-		-	-			-	-	-
8102	-	Stage 1	0.00%	13	5,500	-	0	26	Jan-20 - Feb-22	Y	KF Allowance	65,000	71,500	71,500
8103	-					-			-			-	-	-
8104	-					-			-			-	-	-
8105	-					-			-			-	-	-
8106	-	Legals on sale allowance		-	-	-		-	-			-	-	-
8107	-	Stage 1	0.00%	13	1,100	-	14	12	Mar-21 - Feb-22	Y	KF Allowance	13,000	14,300	14,300
8108	-					-		-	-			-	-	-
8109	-					-		-	-			-	-	-
8110	-					-		-	-			-	-	-
8111	-	.		-	-	-		-	-			-	-	-
											Manual Input (refer to Cash Flow)	-	-	-
											TOTAL	78,000	85,800	85,800

Pro-rata with Settlements ('S') or Exchanges ('E')

Code	Stage	Other Leasing Costs (To be entered Inclusive of GST)	% of Gross Rent	AND / OR No. Units	Base Rate / Unit	Escalate (E,R,N)	Month Start	Month Span	Cash Flow Period	GST Included	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
8201	-	.	0.00%	-	-	-	0	-	-	Y		-	-	-
8202	-	.	0.00%	-	-	-	0	-	-	Y		-	-	-
8203	-	.	0.00%	-	-	-	0	-	-	Y		-	-	-
8204	-	.	0.00%	-	-	-	0	-	-	Y		-	-	-
8205	-	.	0.00%	-	-	-	0	-	-	Y		-	-	-
8206	-	.	0.00%	-	-	-	0	-	-	Y		-	-	-
8207	-	.	0.00%	-	-	-	0	-	-	Y		-	-	-
8208	-	.	0.00%	-	-	-	0	-	-	Y		-	-	-
8209	-	.	0.00%	-	-	-	0	-	-	Y		-	-	-
8210	-	.	0.00%	-	-	-	0	-	-	Y		-	-	-
8211	-	.	0.00%	-	-	-	0	-	-	Y		-	-	-
											Manual Input (refer to Cash Flow)	-	-	-
											TOTAL	-	-	-

Pro-rata with Rental Income ('R')

Main Inputs for Industrial Subdivision

Stage 1 - PRSV subject to DA Consent

9000 SALES

Sales Revenue to be entered Inclusive of GST

Code	Stage	Description	No. Units	Total Area SqM	Current Sale Price	Sales Calc Method	Pre-Sale Exchange Month Start	Pre-Sale Exchange Month Span	Settlements Month Start	Settlements Month Span	Cash Flow Period	Sales Rate Units / SqM per Month	GST Included on Sales	GST Withheld by Purchaser	Land Use Code	Total Current Sales Revenue (exc GST)	Total Current Sales Revenue (inc GST)	Total Escalated Sales Revenue (exc GST Withheld)
9001	-	.	-	-	-						-	-				-	-	-
9002	-	Stage 1 Pre sales	3	-	1,366,923	Per Unit	1	6	14	1	Mar-21 - Mar-21	0.50	Y	N	IND	3,727,972	4,100,769	4,100,769
9003	-	Stage 1 Sales Over Construction	3	-	1,366,923	Per Unit	6	8	14	1	Mar-21 - Mar-21	0.38	Y	N	IND	3,727,972	4,100,769	4,100,769
9004	-	Stage 1 Residual lots	7	-	1,366,923	Per Unit			14	12	Mar-21 - Feb-22	0.58	Y	N	IND	8,698,601	9,568,462	9,568,462
9005	-			-							-	-				-	-	-
9006	-			-							-	-		N		-	-	-
9007	-			-							-	-				-	-	-
9008	-			-							-	-		N		-	-	-
9009	-			-				-			-	-				-	-	-
9010	-			-							-	-		N		-	-	-
9011	-			-							-	-		N		-	-	-
9012	-			-							-	-		N		-	-	-
9013	-			-							-	-		N		-	-	-
9014	-			-							-	-		N		-	-	-
9015	-			-							-	-		N		-	-	-
9016	-		-	-	-					-	-	-		N	-	-	-	-
9017	-	.	-	-	-					-	-	-		N	-	-	-	-
9018	-	.	-	-	-					-	-	-		N	-	-	-	-
9019	-	.	-	-	-					-	-	-		N	-	-	-	-
9020	-	.	-	-	-					-	-	-			-	-	-	-
															Capitalised Sales (refer to Tenants)	-	-	-
															Manual Input (refer to Cash Flow)	-	-	-
															TOTAL	16,154,545	17,770,000	17,770,000

9100 OTHER INCOME

Other Income to be entered Inclusive of GST

Code	Stage	Description	Land Use Code	Units	Base Rate / Units	Month Start	Month Span	Cash Flow Period	GST Included	Remarks	Total Current Income (exc GST)	Total Current Income (inc GST)	Total Escalated Income
9101	-	.	-	-	-	0	-	-	Y		-	-	-
9102	-	.	-	-	-	0	-	-	Y		-	-	-
9103	-	.	-	-	-	0	-	-	Y		-	-	-
9104	-	.	-	-	-	0	-	-	Y		-	-	-
9105	-	.	-	-	-	0	-	-	Y		-	-	-
9106	-	.	-	-	-	0	-	-	Y		-	-	-
9107	-	.	-	-	-	0	-	-	Y		-	-	-
9108	-	.	-	-	-	0	-	-	Y		-	-	-
9109	-	.	-	-	-	0	-	-	Y		-	-	-
9110	-	.	-	-	-	0	-	-	Y		-	-	-
										Manual Input (refer to Cash Flow)	-	-	-
										TOTAL	-	-	-

10000 FINANCING (Simple Mode)

General Notes: All Line Fees are paid during period of debt, in arrears
All Profit Share is Paid progressively as project makes a profit.

Equity Notes: Equity is paying outstanding debt
Equity is repaid at project end.

Equity

	Developer's Equity Contribution Injected in total upfront.	Fixed Amount	Percentage		Opening Balances		Equity Totals
		-	0.00%	Fixed Amount.		Developer's Injections	-
10001	Interest Charged on Equity	0.00%	per annum Effective - Capitalised (Compounded)		-	Interest Charged	-
10002	Interest received on Surplus Cash	0.00%	per annum received in arrears.		-	Interest Received	-
	% of Available Funds to Repay Equity Before Debt	0.00%					

Senior Loan Notes: Senior Loan is being used as an overdraft facility.

Senior Loan

	Description	Major Bank	Debt	Opening Balances		Senior Loan Totals
	No Limit (use as overdraft facility)				Drawdown	11,435,877
10007	Interest Rate	6.00%	per annum Effective - Capitalised (Compounded)	-	Interest Charged	538,104

10008	Fees	Amount	Percentage	Month Paid		Opening Balances		Senior Loan Totals
	Application Fee	-	0.00%	0		-	Application Fees	-
	Annual Line Fee	-	0.00%	Monthly	Paid in Arrears	-	Line Fees	-
	Standby Fee		0.00%	Monthly	Paid in Arrears	-	Standby Fees	-

Maintain Leverage on Senior Loan	0.00%	% of Future Positive Net Cash Flows	

Main Inputs for Industrial Subdivision

Stage 1 - PRSV subject to DA Consent

Code	Stage	Financing Costs To be entered Inclusive of GST	No. of Units	Base Rate / Unit	Escalate (E,R,N)	Month Start	Month Span	Cash Flow Period	GST Included	Remarks	Total Current Costs (exc GST)	Total Current Costs (inc GST)	Total Escalated Cost
10009	-				-			-			-	-	-
10010	-	Loan Establishment Fee	1	22,000	-	0	1	Jan-20 - Jan-20	Y		20,000	22,000	22,000
10011	-	.	-	-	-	0	-	-	Y		-	-	-
10012	-	.	-	-	-	0	-	-	Y		-	-	-
10013	-	.	-	-	-	0	-	-	Y		-	-	-
10014	-	.	-	-	-	0	-	-	Y		-	-	-
10015	-	.	-	-	-	0	-	-	Y		-	-	-
10016	-	.	-	-	-	0	-	-	Y		-	-	-
10017	-	.	-	-	-	0	-	-	Y		-	-	-
10018	-	.	-	-	-	0	-	-	Y		-	-	-
										Manual Input (refer to Cash Flow)	-	-	-
										TOTAL	20,000	22,000	22,000

PROJECT HURDLE RATES

Project Discount Rate (target IRR)	30.00%	per annum Effective, on cash flow that includes financing costs but excludes interest and corp tax.
Nominate an estimate of IRR	30.00%	per ann.
Developer's Target Dev. Margin	30.00%	on total development costs (inc selling costs).
Developer's Cost of Equity (for WACC)	0.00%	

Cash Flow Table for Industrial Subdivision

Stage 1 - PRSV subject to DA Consent

PROJECT CASH FLOW	TOTAL	GST	0	1	2	3	4	5	6	7	8	9	10	11	12	13
			Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
Sale Summary																
Units Sold	13.00		-	0.50	0.50	0.50	0.50	0.50	0.88	0.38	0.38	0.38	0.38	0.38	0.38	0.38
Industrial Units	13.00		-	0.50	0.50	0.50	0.50	0.50	0.88	0.38	0.38	0.38	0.38	0.38	0.38	0.38
Cumulative Units Sold			-	0.50	1.00	1.50	2.00	2.50	3.38	3.75	4.13	4.50	4.88	5.25	5.63	6.00
% Units Sold			-	3.8%	7.7%	11.5%	15.4%	19.2%	26.0%	28.8%	31.7%	34.6%	37.5%	40.4%	43.3%	46.2%
SqM Sold	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative SqM Sold			-	-	-	-	-	-	-	-	-	-	-	-	-	-
% SqM Sold			-	-	-	-	-	-	-	-	-	-	-	-	-	-
AUD Sold	17,770,000		-	683,462	683,462	683,462	683,462	683,462	1,196,058	512,596	512,596	512,596	512,596	512,596	512,596	512,596
Industrial Units	17,770,000		-	683,462	683,462	683,462	683,462	683,462	1,196,058	512,596	512,596	512,596	512,596	512,596	512,596	512,596
Cumulative AUD Sold			-	683,462	1,366,923	2,050,385	2,733,846	3,417,308	4,613,365	5,125,962	5,638,558	6,151,154	6,663,750	7,176,346	7,688,942	8,201,538
% AUD Sold			-	3.8%	7.7%	11.5%	15.4%	19.2%	26.0%	28.8%	31.7%	34.6%	37.5%	40.4%	43.3%	46.2%
Handover Summary																
Units Handed Over	13.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Industrial Units	13.00		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Units Handed Over			-	-	-	-	-	-	-	-	-	-	-	-	-	-
% Units Handed Over			-	-	-	-	-	-	-	-	-	-	-	-	-	-
SqM Handed Over	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative SqM Handed Over			-	-	-	-	-	-	-	-	-	-	-	-	-	-
% SqM Handed Over			-	-	-	-	-	-	-	-	-	-	-	-	-	-
AUD Handed Over	17,770,000		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Industrial Units	17,770,000		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative AUD Handed Over			-	-	-	-	-	-	-	-	-	-	-	-	-	-
% AUD Handed Over			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Cash Flow																
Revenue																
Gross Sales Revenue	17,770,000		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Selling Costs	(618,900)		(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)
Gross Rental Income	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasing Costs	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Received*	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST Payments (Liabilities)	(1,615,455)		-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NET REVENUE	15,535,645		(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)	(2,750)
Costs																
Land and Acquisition	4,540,690		429,000	4,111,690	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees	641,388		-	-	-	-	-	-	80,173	80,173	80,173	80,173	80,173	80,173	80,173	80,173
Construction Costs (inc. Contingency)	5,475,815		-	-	-	-	-	-	684,477	684,477	684,477	684,477	684,477	684,477	684,477	684,477
Statutory Fees	1,544,994		-	-	-	-	-	1,544,994	-	-	-	-	-	-	-	-
Section 94s	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long Service Levy	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 3	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Contingency (Reserve)	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land Holding Costs	129,038		-	55,000	-	-	5,000	-	-	5,000	-	-	5,000	-	-	55,000
Pre-Sale Commissions	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financing Costs (exc Fees)	22,000		22,000	-	-	-	-	-	-	-	-	-	-	-	-	-
GST Refunds (Input Credits)	(1,005,273)		(2,250)	(391,150)	(250)	(250)	(250)	(250)	(69,764)	(69,764)	(69,764)	(69,764)	(69,764)	(69,764)	(69,764)	(69,764)
TOTAL COSTS	11,348,652		448,750	3,775,540	(250)	(250)	4,750	1,544,744	694,887	699,887	694,887	694,887	699,887	694,887	694,887	749,887
Net Cash Flow (before Interest & Corporate Tax)	4,186,994		(451,500)	(3,778,290)	(2,500)	(2,500)	(7,500)	(1,547,494)	(697,637)	(702,637)	(697,637)	(697,637)	(702,637)	(697,637)	(697,637)	(752,637)
Cumulative Cash Flow			(451,500)	(4,229,790)	(4,232,290)	(4,234,790)	(4,242,290)	(5,789,784)	(6,487,420)	(7,190,057)	(7,887,694)	(8,585,330)	(9,287,967)	(9,985,603)	(10,683,240)	(11,435,877)
Corporate Tax	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow (before Interest & after Corporate Tax)	4,186,994		(451,500)	(3,778,290)	(2,500)	(2,500)	(7,500)	(1,547,494)	(697,637)	(702,637)	(697,637)	(697,637)	(702,637)	(697,637)	(697,637)	(752,637)
Cumulative Cash Flow			(451,500)	(4,229,790)	(4,232,290)	(4,234,790)	(4,242,290)	(5,789,784)	(6,487,420)	(7,190,057)	(7,887,694)	(8,585,330)	(9,287,967)	(9,985,603)	(10,683,240)	(11,435,877)
Financing																
Developer's Equity																
Manual Adjustments (Inject + / Repay -)			0	0	0	0	0	0	0	0	0	0	0	0	0	0
Injections	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Charged	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Repayment	3,648,889		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Balance	3,648,889		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Cash Flow	3,648,889		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Cash Account																
Surplus Cash Injection	2,949,336		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Reserve Drawdown	(2,949,336)		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Surplus Cash	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus Cash Balance			-	-	-	-	-	-	-	-	-	-	-	-	-	-

Cash Flow Table for Industrial Subdivision

Stage 1 - PRSV subject to DA Consent

PROJECT CASH FLOW	TOTAL	GST	0	1	2	3	4	5	6	7	8	9	10	11	12	13
			Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
Senior Loan - Major Bank	Debt															
Drawdown	(11,435,877)		(451,500)	(3,778,290)	(2,500)	(2,500)	(7,500)	(1,547,494)	(697,637)	(702,637)	(697,637)	(697,637)	(702,637)	(697,637)	(697,637)	(752,637)
Loan Interest Rate (%/ann)			6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Interest Charged	(538,104)		-	(2,198)	(20,599)	(20,712)	(20,825)	(20,963)	(28,597)	(32,132)	(35,709)	(39,278)	(42,865)	(46,494)	(50,116)	(53,756)
Fees Charged (Application, Line & Standby)	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	11,973,981		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and Fees	538,104		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal	11,435,877		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Balance	-		(451,500)	(4,231,988)	(4,255,087)	(4,278,299)	(4,306,624)	(5,875,080)	(6,601,314)	(7,336,083)	(8,069,428)	(8,806,343)	(9,551,845)	(10,295,976)	(11,043,729)	(11,850,121)
% of Land Purchase Price.			10.52%	98.60%	98.65%	98.71%	98.89%	134.96%	151.22%	167.60%	183.86%	200.12%	216.50%	232.76%	249.03%	266.57%
Senior Loan Cash Flow	538,104		(451,500)	(3,778,290)	(2,500)	(2,500)	(7,500)	(1,547,494)	(697,637)	(702,637)	(697,637)	(697,637)	(702,637)	(697,637)	(697,637)	(752,637)
Interest Coverage Ratio	22.40		-	(1.25)	(0.13)	(0.13)	(0.13)	(0.13)	(0.10)	(0.09)	(0.08)	(0.07)	(0.06)	(0.06)	(0.05)	(0.05)
Debt Service Ratio	1.01		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project Overdraft			(451,500)	(4,231,988)	(4,255,087)	(4,278,299)	(4,306,624)	(5,875,080)	(6,601,314)	(7,336,083)	(8,069,428)	(8,806,343)	(9,551,845)	(10,295,976)	(11,043,729)	(11,850,121)
% of Land Purchase Price.			10.52%	98.60%	98.65%	98.71%	98.89%	134.96%	151.22%	167.60%	183.86%	200.12%	216.50%	232.76%	249.03%	266.57%
Total Equity to Debt Ratio	0.00%		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Debt Interest Coverage Ratio	22.40		-	(1.25)	(0.13)	(0.13)	(0.13)	(0.13)	(0.10)	(0.09)	(0.08)	(0.07)	(0.06)	(0.06)	(0.05)	(0.05)
Total Debt Service Ratio	1.01		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow (after Interest & Corporate Tax)	3,648,889		(451,500)	(3,780,488)	(23,099)	(23,212)	(28,325)	(1,568,456)	(726,234)	(734,769)	(733,345)	(736,915)	(745,502)	(744,131)	(747,753)	(806,393)
Cumulative Cash Flow**			(451,500)	(4,231,988)	(4,255,087)	(4,278,299)	(4,306,624)	(5,875,080)	(6,601,314)	(7,336,083)	(8,069,428)	(8,806,343)	(9,551,845)	(10,295,976)	(11,043,729)	(11,850,121)
Check Balance	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST Liability Summary																
Total Liability on Revenue	(1,615,455)		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Withheld by Purchaser	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Liability (-ve) / Credit (+ve)	(1,615,455)		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project IRR & NPV																
Cash Flow that includes financing costs but excludes interest and corp tax.			(451,500)	(3,778,290)	(2,500)	(2,500)	(7,500)	(1,547,494)	(697,637)	(702,637)	(697,637)	(697,637)	(702,637)	(697,637)	(697,637)	(752,637)
Static Discount Rate (per ann. effective)	30.00%															
PV for each Month	682,294		(451,500)	(3,696,579)	(2,393)	(2,341)	(6,872)	(1,387,243)	(611,868)	(602,926)	(585,689)	(573,023)	(564,648)	(548,506)	(536,644)	(566,431)
NPV of Future Cash Flows			682,294	1,158,856	5,046,279	5,160,380	5,277,002	5,401,313	7,102,406	7,972,459	8,866,854	9,775,908	10,705,057	11,659,854	12,630,646	13,622,897
Variable Discount Rate (per ann. effective)	0.00%		30.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
NPV (using weighted avg discount rate)	4,186,994															

* Includes half interest from deposit on land acquisition plus interest received from pre-sale deposits

** Cumulative Cash Flow After Interest is revenue less costs (including interest on overdraft)

Cash Flow Table for Industrial Subdivision

Stage 1 - PRSV subject to DA Consent

PROJECT CASH FLOW	TOTAL	GST	14	15	16	17	18	19	20	21	22	23	24	25
			Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22
Sale Summary														
Units Sold	13.00		0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58
Industrial Units	13.00		0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58
Cumulative Units Sold			6.58	7.17	7.75	8.33	8.92	9.50	10.08	10.67	11.25	11.83	12.42	13.00
% Units Sold			50.6%	55.1%	59.6%	64.1%	68.6%	73.1%	77.6%	82.1%	86.5%	91.0%	95.5%	100.0%
SqM Sold	-		-	-	-	-	-	-	-	-	-	-	-	-
Cumulative SqM Sold			-	-	-	-	-	-	-	-	-	-	-	-
% SqM Sold			-	-	-	-	-	-	-	-	-	-	-	-
AUD Sold	17,770,000		797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372
Industrial Units	17,770,000		797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372
Cumulative AUD Sold			8,998,910	9,796,282	10,593,654	11,391,026	12,188,397	12,985,769	13,783,141	14,580,513	15,377,885	16,175,256	16,972,628	17,770,000
% AUD Sold			50.6%	55.1%	59.6%	64.1%	68.6%	73.1%	77.6%	82.1%	86.5%	91.0%	95.5%	100.0%
Handover Summary														
Units Handed Over	13.00		6.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58
Industrial Units	13.00		6.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58
Cumulative Units Handed Over			6.58	7.17	7.75	8.33	8.92	9.50	10.08	10.67	11.25	11.83	12.42	13.00
% Units Handed Over			50.6%	55.1%	59.6%	64.1%	68.6%	73.1%	77.6%	82.1%	86.5%	91.0%	95.5%	100.0%
SqM Handed Over	-		-	-	-	-	-	-	-	-	-	-	-	-
Cumulative SqM Handed Over			-	-	-	-	-	-	-	-	-	-	-	-
% SqM Handed Over			-	-	-	-	-	-	-	-	-	-	-	-
AUD Handed Over	17,770,000		8,998,910	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372
Industrial Units	17,770,000		8,998,910	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372
Cumulative AUD Handed Over			8,998,910	9,796,282	10,593,654	11,391,026	12,188,397	12,985,769	13,783,141	14,580,513	15,377,885	16,175,256	16,972,628	17,770,000
% AUD Handed Over			50.6%	55.1%	59.6%	64.1%	68.6%	73.1%	77.6%	82.1%	86.5%	91.0%	95.5%	100.0%
Project Cash Flow														
Revenue														
Gross Sales Revenue	17,770,000		8,998,910	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372	797,372
Selling Costs	(618,900)		(273,909)	(27,863)	(27,863)	(27,863)	(27,863)	(27,863)	(27,863)	(27,863)	(27,863)	(27,863)	(27,863)	(27,863)
Gross Rental Income	-		-	-	-	-	-	-	-	-	-	-	-	-
Leasing Costs	-		-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-		-	-	-	-	-	-	-	-	-	-	-	-
Interest Received*	-		-	-	-	-	-	-	-	-	-	-	-	-
GST Payments (Liabilities)	(1,615,455)		(818,083)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)
TOTAL NET REVENUE	15,535,645		7,906,919	697,021	697,021	697,021	697,021	697,021	697,021	697,021	697,021	697,021	697,021	697,021
Costs														
Land and Acquisition	4,540,690		-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees	641,388		-	-	-	-	-	-	-	-	-	-	-	-
Construction Costs (inc. Contingency)	5,475,815		-	-	-	-	-	-	-	-	-	-	-	-
Statutory Fees	1,544,994		-	-	-	-	-	-	-	-	-	-	-	-
Section 94s	-		-	-	-	-	-	-	-	-	-	-	-	-
Long Service Levy	-		-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Costs 3	-		-	-	-	-	-	-	-	-	-	-	-	-
Project Contingency (Reserve)	-		-	-	-	-	-	-	-	-	-	-	-	-
Land Holding Costs	129,038		-	-	2,019	-	-	1,346	-	-	673	-	-	-
Pre-Sale Commissions	-		-	-	-	-	-	-	-	-	-	-	-	-
Financing Costs (exc Fees)	22,000		-	-	-	-	-	-	-	-	-	-	-	-
GST Refunds (Input Credits)	(1,005,273)		(24,901)	(2,533)	(2,533)	(2,533)	(2,533)	(2,533)	(2,533)	(2,533)	(2,533)	(2,533)	(2,533)	(2,533)
TOTAL COSTS	11,348,652		(24,901)	(2,533)	(514)	(2,533)	(2,533)	(1,187)	(2,533)	(2,533)	(1,860)	(2,533)	(2,533)	(2,533)
Net Cash Flow (before Interest & Corporate Tax)	4,186,994		7,931,819	699,554	697,534	699,554	699,554	698,207	699,554	699,554	698,881	699,554	699,554	699,554
Cumulative Cash Flow			(3,504,057)	(2,804,504)	(2,106,969)	(1,407,416)	(707,862)	(9,655)	689,899	1,389,452	2,088,333	2,787,887	3,487,440	4,186,994
Corporate Tax	-		-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow (before Interest & after Corporate Tax)	4,186,994		7,931,819	699,554	697,534	699,554	699,554	698,207	699,554	699,554	698,881	699,554	699,554	699,554
Cumulative Cash Flow			(3,504,057)	(2,804,504)	(2,106,969)	(1,407,416)	(707,862)	(9,655)	689,899	1,389,452	2,088,333	2,787,887	3,487,440	4,186,994
Financing														
Developer's Equity														
Manual Adjustments (Inject + / Repay -)			0	0	0	0	0	0	0	0	0	0	0	0
Injections	-		-	-	-	-	-	-	-	-	-	-	-	-
Interest Charged	-		-	-	-	-	-	-	-	-	-	-	-	-
Equity Repayment	3,648,889		-	-	-	-	-	-	-	-	-	-	-	3,648,889
Less Profit Share	-		-	-	-	-	-	-	-	-	-	-	-	-
Equity Balance	3,648,889		-	-	-	-	-	-	-	-	-	-	-	3,648,889
Equity Cash Flow	3,648,889		-	-	-	-	-	-	-	-	-	-	-	3,648,889
Project Cash Account														
Surplus Cash Injection	2,949,336		-	-	-	-	-	-	151,794	699,554	698,881	699,554	699,554	-
Cash Reserve Drawdown	(2,949,336)		-	-	-	-	-	-	-	-	-	-	-	(2,949,336)
Interest on Surplus Cash	-		-	-	-	-	-	-	-	-	-	-	-	-
Surplus Cash Balance			-	-	-	-	-	-	151,794	851,348	1,550,229	2,249,782	2,949,336	-

Cash Flow Table for Industrial Subdivision

Stage 1 - PRSV subject to DA Consent

PROJECT CASH FLOW	TOTAL	GST	14	15	16	17	18	19	20	21	22	23	24	25
			Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22
Senior Loan - Major Bank	Debt													
Drawdown	(11,435,877)		-	-	-	-	-	-	-	-	-	-	-	-
Loan Interest Rate (%/ann)			6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Interest Charged	(538,104)		(57,681)	(19,353)	(16,042)	(12,725)	(9,382)	(6,023)	(2,653)	-	-	-	-	-
Fees Charged (Application, Line & Standby)	-		-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid by Equity	-		-	-	-	-	-	-	-	-	-	-	-	-
Loan Repayment	11,973,981		7,931,819	699,554	697,534	699,554	699,554	698,207	547,759	-	-	-	-	-
Interest and Fees	538,104		471,926	19,353	16,042	12,725	9,382	6,023	2,653	-	-	-	-	-
Principal	11,435,877		7,459,894	680,200	681,492	686,828	690,172	692,185	545,106	-	-	-	-	-
Loan Balance	-		(3,975,983)	(3,295,783)	(2,614,291)	(1,927,462)	(1,237,291)	(545,106)	-	-	-	-	-	-
% of Land Purchase Price.			266.57%	266.57%	266.57%	266.57%	266.57%	266.57%						
Senior Loan Cash Flow	538,104		7,931,819	699,554	697,534	699,554	699,554	698,207	547,759	-	-	-	-	-
Interest Coverage Ratio	22.40		137.08	36.02	43.45	54.78	74.29	115.73	262.73	-	-	-	-	-
Debt Service Ratio	1.01		1.00	1.00	1.00	1.00	1.00	1.00	1.27	-	-	-	-	-
Project Overdraft			(3,975,983)	(3,295,783)	(2,614,291)	(1,927,462)	(1,237,291)	(545,106)	-	-	-	-	-	-
% of Land Purchase Price.			266.57%	266.57%	266.57%	266.57%	266.57%	266.57%						
Total Equity to Debt Ratio	0.00%		-	-	-	-	-	-	-	-	-	-	-	-
Total Debt Interest Coverage Ratio	22.40		137.08	36.02	43.45	54.78	74.29	115.73	262.73	-	-	-	-	-
Total Debt Service Ratio	1.01		1.00	1.00	1.00	1.00	1.00	1.00	1.27	-	-	-	-	-
Net Cash Flow (after Interest & Corporate Tax)	3,648,889		7,874,138	680,200	681,492	686,828	690,172	692,185	696,900	699,554	698,881	699,554	699,554	699,554
Cumulative Cash Flow**			(3,975,983)	(3,295,783)	(2,614,291)	(1,927,462)	(1,237,291)	(545,106)	151,794	851,348	1,550,229	2,249,782	2,949,336	3,648,889
Check Balance	-		-	-	-	-	-	-	-	-	-	-	-	-
GST Liability Summary														
Total Liability on Revenue	(1,615,455)		(818,083)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)
Withheld by Purchaser	-		-	-	-	-	-	-	-	-	-	-	-	-
Net Liability (-ve) / Credit (+ve)	(1,615,455)		(818,083)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)	(72,488)
Project IRR & NPV														
Cash Flow that includes financing costs but excludes interest and corp tax.			7,931,819	699,554	697,534	699,554	699,554	698,207	699,554	699,554	698,881	699,554	699,554	699,554
Static Discount Rate (per ann. effective)	30.00%													
PV for each Month	682,294		5,840,350	503,955	491,633	482,393	471,961	460,865	451,768	441,998	432,023	423,087	413,937	404,985
NPV of Future Cash Flows			14,693,297	6,910,937	6,348,682	5,776,063	5,188,723	4,588,400	3,976,183	3,349,058	2,708,070	2,053,602	1,383,978	699,554
Variable Discount Rate (per ann. effective)	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
NPV (using weighted avg discount rate)	4,186,994													

* Includes half interest from deposit on land acquisition plus interest received from pre-sale deposits

** Cumulative Cash Flow After Interest is revenue loss costs (including interest on overdraft)

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SUMMARY OF PROJECT RETURNS

Industrial Subdivision

Stage 1

PRSV subject to DA Consent

Licensed to: Knight Frank Valuations Newcastle

Time Span:	Jan-20 to Feb-22 (25 Months)
Type:	Industrial
Status:	Approved
Site Area:	147,300 SqMi
#N/A	:1
Project Size:	109 Lots 1 per 1351.37 SqMi of Site Area

	Quantity	SqM	AUD/Quantity	Total AUD	AUD Per Lot	AUD Per SqMi of Site Area	% of Total Net Revenue	Total Exc GST
Revenues								
Gross Sales Revenue	13	-	1,366,923.08	17,770,000	163,028	121	114.4%	16,154,545
Industrial Units	13	-	1,366,923.08	17,770,000				16,154,545
Less Selling Costs				(618,900)	(5,678)	(4)	-4.0%	(562,636)
Less Purchasers Costs				-	-	-	0.0%	-
NET SALES REVENUE				17,151,100	157,350	116	110.4%	15,591,909
	Average Yield	SqM	AUD/SqM/annum					
Gross Rental Income	-	-	-	-	-	-	0.0%	-
Less Outgoings & Vacancies				-	-	-	0.0%	-
Less Letting Fees				-	-	-	0.0%	-
Less Incentives (Rent Free and Fitout Costs)				-	-	-	0.0%	-
Less Other Leasing Costs				-	-	-	0.0%	-
NET RENTAL INCOME				-	-	-	0.0%	-
Interest Received				-	-	-	0.0%	-
Other Income				-	-	-	0.0%	-
TOTAL REVENUE (before GST paid)				17,151,100	157,350	116	110.4%	15,591,909
Less GST paid on all Revenue				(1,615,455)	(14,821)	(11)	-10.4%	
TOTAL REVENUE (after GST paid)				**15,535,645**	**142,529**	**105**	100.0%	15,591,909
Costs								
Land Purchase Cost				4,290,000	39,358	29	27.6%	3,900,000
Land Acquisition Costs				250,690	2,300	2	1.6%	249,790
Construction Costs (inc. Contingency)				5,475,815	50,237	37	35.2%	4,978,014
Other Construction Costs				4,563,179	41,864	31	29.4%	4,148,345
Contingency				912,636	8,373	6	5.9%	829,669
Professional Fees				641,388	5,884	4	4.1%	583,080
Statutory Fees				1,544,994	14,174	10	9.9%	1,544,994
Section 94s				-	-	-	0.0%	-
Long Service Levy				-	-	-	0.0%	-
Miscellaneous Costs 3				-	-	-	0.0%	-
Project Contingency (Reserve)				-	-	-	0.0%	-
Land Holding Costs				129,038	1,184	1	0.8%	129,038
Pre-Sale Commissions				-	-	-	0.0%	-
Finance Charges (inc. Fees)				22,000	202	0	0.1%	20,000
Interest Expense				538,104	4,937	4	3.5%	538,104
TOTAL COSTS (before GST reclaimed)				12,892,029	118,275	88	83.0%	11,943,020
Less GST reclaimed				(1,005,273)	(9,223)	(7)	-6.5%	
Plus Corporate Tax				-	-	-	0.0%	-
TOTAL COSTS (after GST reclaimed)				**11,886,756**	**109,053**	**81**	76.5%	11,943,020

Performance Indicators			Per Lot	Per SqMi of Site Area	Total Exc GST
[1] **Net Development Profit**		**3,648,889**	33,476	25	
[3] **Development Margin (Profit/Risk Margin)**	Based on total costs (inc selling costs)	**29.18%**			
[4] Residual Land Value	Based on Target Margin of 30% (Inclusive of GST)	4,217,468	38,692	29	3,834,062
[5] **Net Present Value**	Based on Discount Rate of 30% p.a. Effective	**682,294**			
[6] Benefit Cost Ratio		1.0678			
[7] **Project Internal Rate of Return (IRR)**	Per annum Effective	**39.26%**			
[8] Residual Land Value	Based on NPV (Inclusive of GST)	4,992,715	45,805	34	4,538,832
Equity IRR	Per annum Effective	N.A.			
Equity Contribution		-			
Peak Debt Exposure		11,850,121			
Equity to Debt Ratio		N.A.			
[9] Weighted Average Cost of Capital (WACC)		6.00%			
[10] Breakeven Date for Cumulative Cash Flow	Month 20	Sep-2021			
[11] Yield on Cost		0.00%			
[12] Rent Cover		N.A.			
[13] Profit Erosion		N.A.			

Footnotes:

1. Development Profit: is total revenue less total cost including interest paid and received
2. Note: No redistribution of Developer's Gross Profit
3. Development Margin: is profit divided by total costs (inc selling costs)
4. Residual Land Value: is the maximum purchase price for the land whilst achieving the target development margin.
5. Net Present Value: is the project's cash flow stream discounted to present value. It includes financing costs but excludes interest and corp tax.
6. Benefit:Cost Ratio: is the ratio of discounted incomes to discounted costs and includes financing costs but excludes interest and corp tax.
7. Internal Rate of Return: is the discount rate where the NPV above equals Zero.
8. Residual Land Value (based on NPV): is the purchase price for the land to achieve a zero NPV.
9. The Weighted Average Cost of Capital (WACC) is the rate that a company is expected to pay to finance its assets.
10. Breakeven date for Cumulative Cash Flow: is the last date when total debt and equity is repaid (ie when profit is realised).
11. Yield on Cost is Current Net Annual Rent divided by Total Costs (before GST reclaimed), including all Selling Costs.
12. The total net development profit divided by the current net annual rental expressed as a number of years/months.
13. The period of time post practical completion that it can remain unsold (but leased out) until finance and land holding costs erodes the profit for the development to zero.

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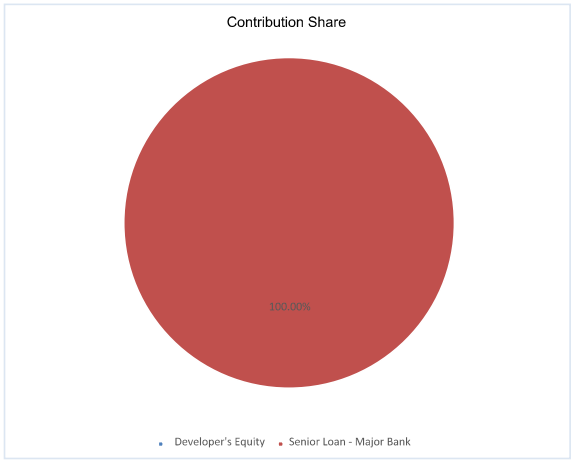
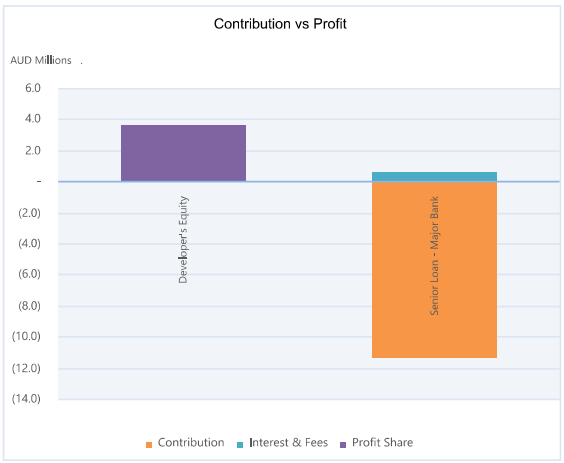
SUMMARY OF PROJECT RETURNS

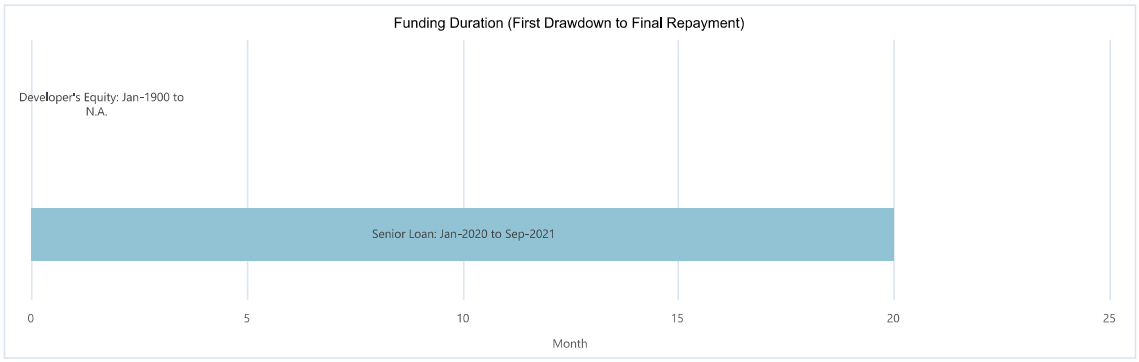
Industrial Subdivision
Stage 1
PRSV subject to DA Consent

Licensed to: Knight Frank Valuations Newcastle

Returns on Funds Invested	Developer's Equity Equity	Senior Loan Debt Major Bank	Total Equity	Total Debt	Total Funding
[1] Funds Invested (Cash Outlay)	-	11,435,877	-	11,435,877	11,435,877
% of Total Funds Invested	0.00%	100.00%	0.00%	100.00%	100.00%
[2] Peak Exposure	-	11,850,121	-	11,850,121	
Date of Peak Exposure	N.A.	Feb-21	N.A.	Feb-21	
Month of Peak Exposure		Month 13	Month 0	Month 13	
Weighted Average Interest Rate	N.A.	6.00%	N.A.	6.00%	
Interest Charged	-	538,104	-	538,104	538,104
Line & Standby Fees Charged	-	-	-	-	-
Application Fees Charged	-	-	-	-	-
Profit Share Received	-	-	-	-	-
[3] Total Profit to Funders	3,648,889	538,104	3,648,889	538,104	4,186,994
[4] Margin on Funds Invested	N.A.	4.71%	N.A.	4.71%	
[5] Payback Date	N.A.	Sep-21	N.A.	Sep-21	
Month of Payback	N.A.	Month 20	N.A.	Month 20	
[6] IRR on Funds Invested	N.A.	6.00%	N.A.	6.00%	
[7] Loan to Value Ratio	0.00%	66.69%	0.00%	66.69%	
[8] Loan Ratio	0.00% of Land Purchase Price.	279.11% of Land Purchase Price.	0.00% of Land Purchase Price.	279.11% of Land Purchase Price.	







Footnotes:
1. The total amount of funding injected into the project cash flow.
2. The maximum cash flow exposure of that equity/debt facility including capitalised interest.
3. The total repayments less funds invested, including profit share paid or received.
4. Margin is net profit divided by total funds invested (cash outlay).
5. Payback date for the equity/debt facility is the last date when total equity/debt is repaid.
6. IRR on Funds Invested is the IRR of the equity cash flow including the return of equity and realisation of project profits.
7. Loan to Value ratio is the Peak Equity/Debt Exposure divided by Total Sales Revenue.
8. Loan Ratio is the total funds invested by the lender (cash outlay) divided by the nominated ratio calculation method. It includes capitalised interest and fees.

AMENDED ITEM

Item No:	3.1
Title:	Kariong Oval Recreation Area Skate Park, Pump Track and Playspace Upgrade
Department:	Community and Recreation Services

14 December 2021 Ordinary Council Meeting

Reference:	CPA/3946 - D14939737
Author:	Michael Ross, Unit Manager, Procurement and Project Management
Manager:	Brett Sherar, Unit Manager Open Space and Recreation
Executive:	Brian Bell, Director Community and Recreation Services (Acting)

Recommendation

1 That Council declare that it did not receive any tenders for Contract CPA/3946 – Design and Construction Kariong Oval Recreation Area Skate Park, Pump Track and Playspace Upgrade in accordance with Section 178 of the Local Government (General) Regulation 2005.

2 That Council decline to invite fresh tenders or applications as referred to in Section 178 subclause (3)(b) -(d) of the Local Government (General) Regulation 2005.

3 That Council in accordance with Section 178(3)(e) resolve to enter into negotiations with experienced skate park construction contractors with a view to entering into a contract in relation to the subject matter of the tender.

4 That Council, in accordance with Section 178(4) of the Local Government (General) Regulation 2005, notes that the reasons for entering into negotiations and not calling fresh tenders are:

a. Given the tender was in the open market for the required 21 days and although a number of parties downloaded the tender, no tenders were lodged indicates that it is unlikely that we would receive a different result if fresh tenders are called.

b. If negotiations are entered into with known skate park construction contractors that have sufficient experience and standing within the market place this would achieve both the Contract's technical and performance requirements, achieve project completion milestones and provide a value for money outcome for Council.

c. Inviting fresh tenders at this stage for the same or similar scope of works is not expected to result in any benefits considering time delays and additional costs associated with a new tender process.

5 That Council note that the playspace component of the contract will be sourced via selective tender via the LGP 308-3 Playgrounds, Open Spaces, Modular Structures, Exterior Lighting, Recreational and Associated Infrastructure contract.

6 That Council resolve, pursuant to s.11(3) of the Local Government Act 1993, that this report remain confidential in accordance with Section 10A(2)(c) of the Local Government Act as it contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business and because consideration of the matter in open Council would on balance be contrary to the public interest as it would affect Council's ability to obtain value for money services for the Central Coast community.

Report purpose

To seek approval to enter into negotiations with interested parties for CPA/3946 Design and Construction Kariong Oval Recreational Area Skate Park, Pump Track and Playspace Upgrade as Zero submissions were received for this tender.

Executive Summary

The proposed contract is for the design and construction of the Kariong Oval Recreation Area and includes a new skate park, pump track, playspace and demolition of the existing Kariong skate park which has reached the end of its functional life.

Tenders were released in accordance with Clause 167 (Open Tendering) of the Local Government (General) Regulation 2005 with the objective of identifying an experienced prime contractor with the skills and experience to deliver the entire scope of the project. Following a 22-day tender period during which 48 organisations downloaded tender packages there were zero responses received.

Feedback was requested post tender from interested organisations to determine reasons as to why we did not get any responses. Some of the comments included: the civil works being beyond the company's capabilities, unable to provide competitive pricing for the project, unable to meet the timing for delivery due to excess contract work post COVID-19 and uncertainty around availability and cost of play equipment and design.

Based on the feedback from the interested contractors and the lack of experienced Skate Park contractors currently in the market the Tender Evaluation Panel has concluded that the best value outcome to facilitate the completion of the project in accordance with current milestones is to separate into two contracts.

The playspace component of the contract with an estimated value of $90,000 is removed and sourced via the LGP 308-3 Playgrounds, Open Spaces, Modular Structures, Exterior

Lighting, Recreational and Associated Infrastructure contract and that Council enter into negotiations with interested and experienced contractors to award a contract for design and construction of the skate park and pump track that achieves the technical and performance requirements and provides best value for money to Council.

Background

The existing skate park at Kariong Oval Recreation Area, Kariong has reached the end of its serviceable life. The objective of the proposed redevelopment is to provide the community with a new high quality functional recreational area consisting of a skate park, pump track and playspace that will be located adjacent to Curringa Road, Kariong, with the aim of enhancing the facilities for youth recreation in the Kariong area as well as supporting needs of the wider Central Coast community.

In 2020 Council engaged skate park design consultant Convic to undertake preliminary site investigations, community consultation and prepare a concept design and report for the site based on the findings.

Council has now received funding from developer contributions for the detailed design and construction of the skate park, pump track and playspace redevelopment based on the Final Concept Report for the facility.

Council invited tenders for the design and construction of contract CPA/3946 – Kariong Oval Recreation Area Skate Park, Pump Track and Playspace including demolition of the existing Kariong skate park on 19 October 2021. This contract's Principal's Project Requirements used a performance specification to allow tenderers to deliver generally the elements and requirements of the concept design before 30 June 2021 and within available budget.

There was no mandatory site meeting partially due to COVID restrictions and partially because several of the specialist skate park construction contractors reside interstate.

Current Status

The tender was advertised through the TenderLink website on 19 October 2021. The tender closed at Council's Chambers at 2pm on 9 November 2021. Council received zero tenders.

Consultation

In 2020 Council engaged skate park design consultant Convic to undertake preliminary site investigations, two rounds of community consultation and preparation of a Final Concept Design Report for the site based on the findings.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.
The project has a combined 2021/22 approved budget of $500,000 as follows:

1 25583 – Sporting Facility Development – Mitchell Park Recreation Area – Kariong Pump Track
$95,000 Developer Contributions

2 25584 - Sporting Facility Development – Mitchell Park Recreation Area – Kariong Skate Park Upgrade
$300,000 Developer Contributions

3 26067 Local Playspace Renewal – Kariong Recreation Area
$105,000 General Revenue

Estimated Award of Contract	$430,000
Estimated Contract Contingency	$30,000
Project Management	$40,000

Link to Community Strategic Plan

Theme 5: Liveable

Goal L: Healthy lifestyle for a growing community

L-L1: Promote healthy living and ensure sport, leisure, recreation and aquatic facilities and open spaces are well maintained and activated.

Risk Management

This contract has been assessed as low-risk contract principally based on the technical and performance requirements for the contract. The key risks and mitigation measures have been addressed in the Contract Plan for this Tender.

Options

Council has the following options under cl.178 (3e) of the 'Regulation':

1 That Council resolve to enter into negotiations with any person (whether or not the person was a tenderer) with a view to entering into a contract in relation to the subject matter of the tender – **This is the Recommended Option.**

2 That Council invite fresh tenders based on the same detail – Not Recommended as the market has already responded.

3 That Council resolve to not deliver the project to the community in the 21/22 financial year – Not Recommended due to high community expectation of project delivery following community consultation undertaken in 2020.

Critical Dates or Timeframes

Negotiations should commence as soon as possible to allow the contract to be awarded and completed in the 2021/22 financial year.

Attachments

Nil.