

**11.5 North Creek Dredging - Planning and Approvals**

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**Delivery Program**      Operations Support

**Objective**              To advise Council, as part of the 2016/17 budget deliberations, on the cost of acquiring planning approvals for the dredging of North Creek, including the preparation of planning documentation and undertaking requisite technical and environmental studies.

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**Background**

In October 2014, Council successfully secured an opportunity from Crown Lands to extract sand from North Creek. A budget of \$150,000 was then sourced from the Quarry Reserve to finance the approval process.

The approvals process is a two-stage approach:

- Stage 1 is a "scoping study", which was completed in April 2016.
- Stage 2 is the preparation of a planning application, including supporting studies/information and associated permits and licences.

The outcome of Stage 1 has been to more clearly define the project's scope, to determine the requisite planning pathway, and to identify the extent of additional studies/information needed to obtain a planning approval.

A small amount of work originally intended for Stage 2, principally the shorebird survey, was brought forward into Stage 1 because of the seasonal nature of the work and to help better define the project's scope.

The majority of Stage 2 work has yet to commence and will significantly exceed the current budget allocation.

Currently, no financial provision has been made to undertake the full scope of works, which is estimated at around \$500,000.

**Key Issues**

- Planning approvals
- Budget allocation
- Risk

**Information**

At the time of the initial budget allocation of \$150,000, little had been done to evaluate the scope of the project and the full extent of sand extraction opportunity. Hence, a firm budget assessment at that time was not feasible.

The Stage 1 scoping report has since identified a total in-situ volume to be dredged of approximately 575,000 m<sup>3</sup>, encompassing a footprint of 34.7 ha. The timing, sequence and duration of the dredging works could potentially extend over several years.

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With Stage 1 complete, significantly greater certainty now exists as to the costs associated with the planning approval process including the associated technical and environmental studies.

These cost estimates are broken down as follows:

- Project management, planning documentation, and consultation - \$86,000
- Shorebird evaluation – \$35,000 (completed).
- Sediment coring and characterization - \$82,000
- Economic assessment - \$15,000
- Estuarine habitat studies - \$20,000
- Hydrodynamic and sediment modelling - \$160,000
- Minor technical studies - \$50,000
- EP&A Act approval, permits and licences - \$62,000.

The extent of these works has been determined by consultation with government agencies and by the analysis of applicable testing and other standards. This information has been applied to the scope of works determined from the information arising from the feasibility assessment.

**Sustainability Considerations**

- **Environment**  
Environmental studies are required to assess the proposal and to obtain any planning approval.
- **Social**  
The proposal will improve the social amenity available from this waterway.
- **Economic**  
This proposal has the potential to support economic development by providing a sustainable source of building material.

**Legal / Resource / Financial Implications**

Council had previously allocated \$150,000 from the Quarry Reserve to finance the approval process.

The recent scoping study completed in April 2016 has resulted in a much improved definition of the project scope and a more detailed evaluation of the additional studies/information needed to facilitate a planning approval. A revised budget of \$500,000 is required to allow the continuation of the planning process. Currently, there is no financial provision beyond the initial allocation of \$150,000.

**Consultation**

Not applicable.

**Options**

1. Proceed with the project.

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To proceed with this project now funding approval is required. In light of the amount of money needed, if this is the preferred option, the suggested resolution of Council is that the General Manager provide a report outlining a funding strategy for this project.

2. Terminate the project.

Based on the risks associated with this project, the time frame and costs the Council may prefer to terminate this project now. Under this option Council could continue to advocate for commercial interest in the project and assume a facilitative role in the event there was interest from the private sector.

3. Defer to a briefing.

It is some time since the Council discussed the outcomes of the feasibility study. The Council may wish to workshop further the risk profile and funding opportunities for this project prior to making a decision.

This is a question of risk and allocation of Council resources and therefore this is a matter for Council to determine the extent of its commitment to this project.

On balance the preference is to firstly defer the matter to a briefing. Funding options and risks with the project would then be able to be discussed in more detail in that briefing. Council's consultant can also be in attendance to discuss the technical aspects of this report.

It is also recommended that Council invite members of the Port Ballina Taskforce to that briefing. The members of that Taskforce have a strong interest and experience in maritime matters and their input into the briefing, along with their ability to communicate to key stakeholders, will be of overall benefit to the project.

**RECOMMENDATIONS**

1. That Council notes the contents of this report regarding the project risks and funding options for the North Creek Dredging project.
2. That Council hold a briefing to examine the risks and funding options prior to making the next decision on this project.
3. That Council invite members of the Port Ballina Taskforce to that briefing.

**Attachment(s)**

Nil