



Hawkesbury City Council

attachment 1  
to  
item 226

section 64 contribution  
- pitt town development

date of meeting: 21 October 2008  
location: council chambers  
time: 5:00 p.m.





draft  
**section 64**  
contribution plan -  
sewerage infrastructure  
for pitt town  
**october 2008**



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## **1. INTRODUCTION**

A rezoning proposal for land at Pitt Town was approved by the State Government on 10 July 2008, under Part 3A of the Environmental Planning and Assessment Act 1979. This approval created the potential for 943 lots within the rezoned area.

To enable the transport of effluent from the additional lots generated at Pitt Town it is necessary that new carrier mains be constructed within the development area which will carry effluent to a new pumping station at Pitt Town (Pump Station T), and a new rising main to be provided from that pumping station to the McGraths Hill Treatment Plant.

As the McGraths Hill plant is currently near capacity it is necessary to divert flows from part of the South Windsor and Windsor areas which currently flow to McGraths Hill treatment plant via pump station 'C' by the reconstruction of that pumping station and a new rising main to the South Windsor Wastewater Treatment Plant, which will give the McGraths Hill Plant the required capacity to treat the additional lots created at Pitt Town. There will be some work required at the South Windsor Wastewater Treatment Plant to ensure the inlet structure has capacity for the additional flows directed to the plant.

All the works required to enable the treatment of effluent from the Pitt Town rezoning is to be recovered from a charge levied on each allotment under a plan created in accordance with Section 64 of the Local Government Act. Each developer of land within the defined area is required to pay Council for the design & construction of the necessary sewerage infrastructure that will serve the development. The infrastructure will, on satisfactory completion, become the property of Council who will then be responsible for its ongoing operation and maintenance.

### **1.1. WHAT IS THE NAME OF THIS DEVELOPMENT CONTRIBUTION PLAN?**

This development contribution plan is called the "Section 64 Sewerage Infrastructure for Pitt Town Contribution Plan (month adopted) 2008.

### **1.2. AREA TO WHICH THE PLAN APPLIES**

This plan applies to all land within the defined area that has been rezoned under part 3A of the Environmental Planning and Assessment Act 1979.

### **1.3. WHAT IS THE PURPOSE OF THIS DEVELOPMENT CONTRIBUTION PLAN?**

The purpose of this development contribution plan is to:

- (a) provide an administrative framework under which specific sewerage infrastructure is provided to allow development within the defined area.

- (b) To authorise the Council to impose conditions under Section 64 of the Local Government Act when granting consent to development on land to which this plan applies.
- (c) Ensure that the existing community is not burdened by the provision of sewerage infrastructure as a result of this development; and
- (d) Enable the Council to be both publicly and financially accountable in its assessment and administration of the contributions plan.

#### 1.4. COMMENCEMENT OF THE PLAN

This development contributions plan takes effect from the date adopted by Council (insert date).

#### 1.5. RELATIONSHIP TO OTHER PLANS

This contribution plan supplements the provisions of the Hawkesbury Local Environment Plan 1989 and Hawkesbury Development Control Plan and any amendments or additional plans which they may supercede. These plans must be consulted by applicants when deciding to develop.

### 2. CONTRIBUTION FORMULA

The contribution formula for Provision of Sewerage Infrastructure to the Pitt Town development will be the total cost divided by the number of lots serviced.

The contribution will be adjusted in accordance with changes to the consumer price index (all groups index) for Sydney on an annual basis commencing 1 July 2009.

### 3. WORKS PROGRAM

The contributions collected for sewerage infrastructure will be expended in accordance with the Works Program detailed below.

<b>Pitt Town Development Area – Sewerage Infrastructure and associated costs</b>			
<b>Item</b>	<b>Estimated Costs (GST Excl.)</b>	<b>Projected Year for Works</b>	<b>Design Costs (GST Excl.)</b>
Pump station T – Pitt Town	\$1,914,000.00	2008	\$215,000.00
Rising Main T – Pitt Town to McGraths Hill	\$5,196,000.00	2008	\$210,000.00
Fernadell carrier – Pitt Town	\$1,237,000.00	2008	\$66,000.00
Blighton carrier (option 1) – Pitt Town	\$1,283,000.00	2009	\$71,000.00

Storage at T – Pitt Town	\$354,000.00	2008	\$9,000.00
Pump Station C – Windsor	\$1,830,000.00	2009	\$240,000.00
Rising Main C – Windsor to South Windsor	\$5,164,000.00	2009	\$210,000.00
Storage at Pump Station C - Windsor	\$550,000.00	2009	\$9,000.00
Easements for rising main from pump station C to South Windsor	\$286,000.00	2009	
Replacement of rising main J (which currently transports effluent from Pitt Town to McGraths Hill)	\$368,000.00	2008	\$55,000.00
Upgrade to South Windsor STP inlet	\$1,950,000.00	2009	\$90,000.00
Land dedication for pump station T at Pitt Town	\$42,000.00	2008/09	
<b>Sub Total</b>	<b>\$20,174,000.00</b>		<b>\$ 1,175,000.00</b>
<b>Total (including Design Costs)</b>	<b>\$21,349,000.00</b>		

Current contribution as at October 2008 is \$21,349,000 divide by 943 which equates to \$22,640.00 per lot.

#### 4. PAYMENT OF CONTRIBUTIONS

##### WHEN IS THE CONTRIBUTION PAYABLE?

Council requires Section 64 Contributions to be paid in full prior to release of the final plan of subdivision (i.e. Subdivision Certificate).

#### 5. CAN PAYMENTS BE DEFERRED?

Council may allow payment of contributions to be deferred in the following cases only:

- deferred or periodic payment of the contribution will not prejudice the timing or the manner of the provision of sewerage infrastructure included in the works program;
- where the applicant intends to make a contribution by way of a planning agreement, works in kind agreement or land dedication in lieu of a cash contribution and Council and the applicant have a legally binding agreement for the provision of the works and land dedication; or
- there are circumstances justifying the deferred or periodic payment of the contribution.

Deferred payments as outlined above are acceptable only where an unconditional bank guarantee is provided for the amount deferred. Bank guarantees will be accepted on the following conditions:

- the guarantee must carry specific wording, for example "sewerage infrastructure contributions for stage 3";



- the guarantee will be for the contribution amount plus the estimated amount of compound interest foregone by Council for the anticipated period of deferral, (refer to formula below);
- Council may call up the guarantee at any time without reference to the applicant, however the guarantee will generally be called up only when cash payment has not been received, land is not dedicated or material public benefit not provided by the end of the period of deferral;
- the period of deferral will be as agreed where land is to be dedicated or a material public benefit is to be provided. In merit cases, the period of deferral will be as approved by Council. The period of deferral may be extended subject to providing a renewed bank guarantee, which includes anticipated future interest; and
- Council will discharge the bank guarantee when payment is made in full by cash payment, land transfer or by completion of works in kind.

#### ***Formula for Bank Guarantee***

The following formula will be applied to all bank guarantees for Section 64 contributions:

**GUARANTEE AMOUNT = P + P(CI x Y)** where:

**P** Is the Section 64 contribution due;

**CI** is the compound interest rate comprised of Council's estimate over the period plus 3% (allowance for fluctuations); and

**Y** is the period of deferral (years).

## **6. METHOD OF PAYMENT**

Section 64 payments may be made in one or a combination of any of the following ways:

### ***Monetary Contribution***

This is the most common method of payment of contributions. However, payment can be off-set by transferring land to Council or providing a material public benefit as follows.

### ***Transfer of Land***

An applicant may transfer land to Council in part or full satisfaction of a contribution. The land must be included in a schedule of facilities in this plan. The estimated value at the time of transfer will be off-set against the contribution required.

***Material Public Benefit (Works in Kind)***

An applicant may provide a material benefit (commonly referred to as works in kind) in part of or full satisfaction of a contribution. The works must be included in the schedule of facilities in this plan. The value of works will be off-set against the contribution required for the same facility category. The value of the off-set will be as agreed with Council.

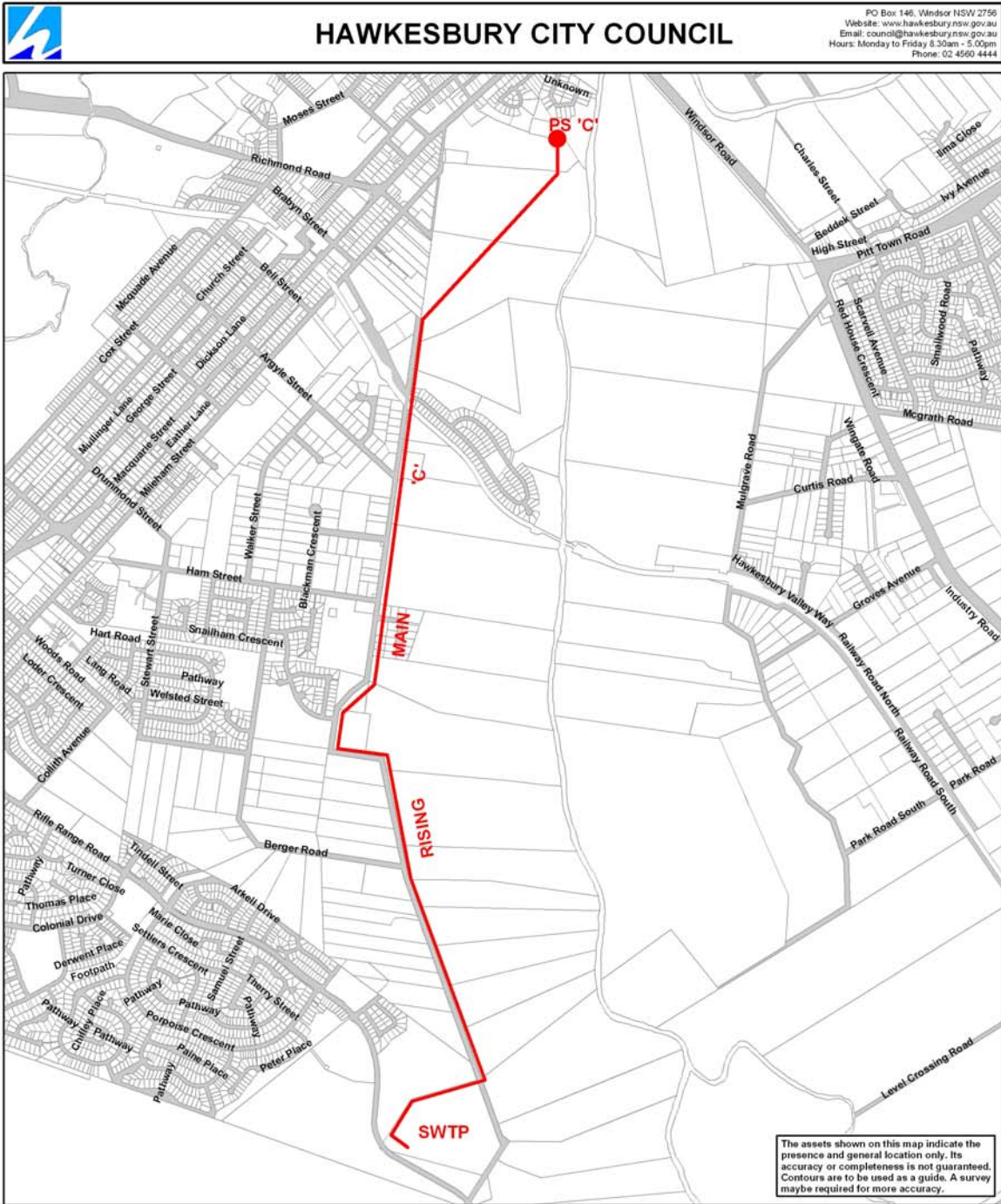
**7. CREDIT FOR LAND AND MATERIAL PUBLIC BENEFITS**

Where an applicant transfers land to Council or provides a material public benefit, which is included in the schedule of facilities in this plan, and is in excess of the contribution required, the excess land or value of works will be held by Council as credit for future development. The credit is expressed in terms of "number of lots" and will be off-set against contributions for the same facility category in any future development by that applicant in the area to which this plan applies. The off-set will generally be made at the contribution rate at the time of the subsequent development.

**APPENDIX 1**  
**MAP SHOWING PITT TOWN DEFINED DEVELOPMENT AREA**



**APPENDIX 2**  
**MAPS SHOWING LOCATION OF SEWERAGE INFRASTRUCTURE**



**Pumpstation 'C' with Proposed Rising Main**

Date: 17/10/2008

**Legend**

Land Parcels	Pumpstation
Roads	Rising Main

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The assets shown on this map indicate the presence and general location only. Its accuracy or completeness is not guaranteed. Contours are to be used as a guide. A survey may be required for more accuracy.



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