

# SUPPLEMENTARY AGENDA

of the  
**Ordinary Meeting of Council**  
held in  
**Council Chambers,**  
**Wingecarribee Shire Council Civic Centre,**  
**68 Elizabeth Street, Moss Vale**  
on

**Wednesday 14 December 2022**

The meeting will commence at **3:30 pm**

**AGENDA OF THE ORDINARY MEETING OF COUNCIL  
WEDNESDAY 14 DECEMBER 2022**

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**Our Mission, Our Vision, Our Values**

**OUR MISSION**

To create and nurture a vibrant and diverse community growing and working in harmony with our urban, agricultural and natural environments

**OUR VISION**

**Leadership:** *'An innovative and effective organisation with strong leadership'*

**People:** *'A vibrant and diverse community living harmoniously, supported by innovative services and effective communication with Council'*

**Places:** *'Places that are safe, maintained, accessible, sympathetic to the built and natural environment, that supports the needs of the community'*

**Environment:** *'A community that values and protects the natural environment enhancing its health and diversity'*

**Economy:** *'A strong local economy that encourages and provides employment, business opportunities and tourism'*

**OUR VALUES**

Integrity, trust and respect

Responsibility and accountability

Communication and teamwork

Service quality

## **Council Chambers**

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**The Council Chamber has 24 Hour Video Surveillance.**

## **S1 REPORTS**

### **S1.1 Planning Proposal - Mittagong Airfield**

**Report Author:** Senior Strategic Land Use Planner

**Authoriser:** Executive Manager Strategic Outcomes

#### **PURPOSE**

The purpose of this report is to seek Council endorsement of a Planning Proposal to enable a boundary adjustment of land comprising the Mittagong Airfield, to retain a maximum of two (2) lots (one of which would preserve the existing dwelling entitlement).

#### **THIS MATTER WAS CONSIDERED AT THE LOCAL PLANNING PANEL MEETING OF 7 DECEMBER 2022.**

<b>Applicant / Proponent</b>	Lee Environmental Planning
<b>Owner</b>	Berrima District Aero Club
<b>Consultants</b>	Lee Environmental Planning
<b>Notification</b>	N/A
<b>Number Advised</b>	N/A
<b>Number of Submissions</b>	N/A
<b>Current Zoning</b>	C3 Environmental Management
<b>Proposed LEP Amendment/s</b>	Include the subject land in Schedule 1 (Additional Permitted Uses) of Wingecarribee Local Environmental Plan 2010 to enable a boundary adjustment by subdivision between Lot 841 DP1253894 and Lot 11 DP1226788, to retain a maximum of two (2) lots, one of which would contain the existing airfield and associated buildings, the other to preserve the existing dwelling entitlement of Lot 11 DP1226788.
<b>Political Donations</b>	Nil
<b>Recommendation</b>	That the Planning Proposal BE SUPPORTED

#### **OFFICER'S RECOMMENDATION**

##### **THAT:**

1. The Planning Proposal (PP-2022-3467) to amend Schedule 1 (Additional Permitted Uses) of Wingecarribee Local Environmental Plan 2010 to enable boundary adjustment by subdivision between Lot 841 DP1253894 and Lot 11 DP1226788, to retain a maximum of two (2) lots (one of which would preserve the existing dwelling entitlement) BE SUPPORTED, and
2. The Planning Proposal be submitted for a Gateway determination in accordance with s.3.34 of the *Environmental Planning & Assessment Act 1979*.

**LOCAL PLANNING PANEL ADVICE**

This matter was considered at the Local Planning Panel meeting of 7 December 2022 and the Panel agreed with the staff recommendation.

In addition to the recommendation, the Panel advised that the applicant should consider lodging a development application for the proposed subdivision (boundary adjustment) and dwelling prior to the Planning Proposal being finalised.

**REPORT**

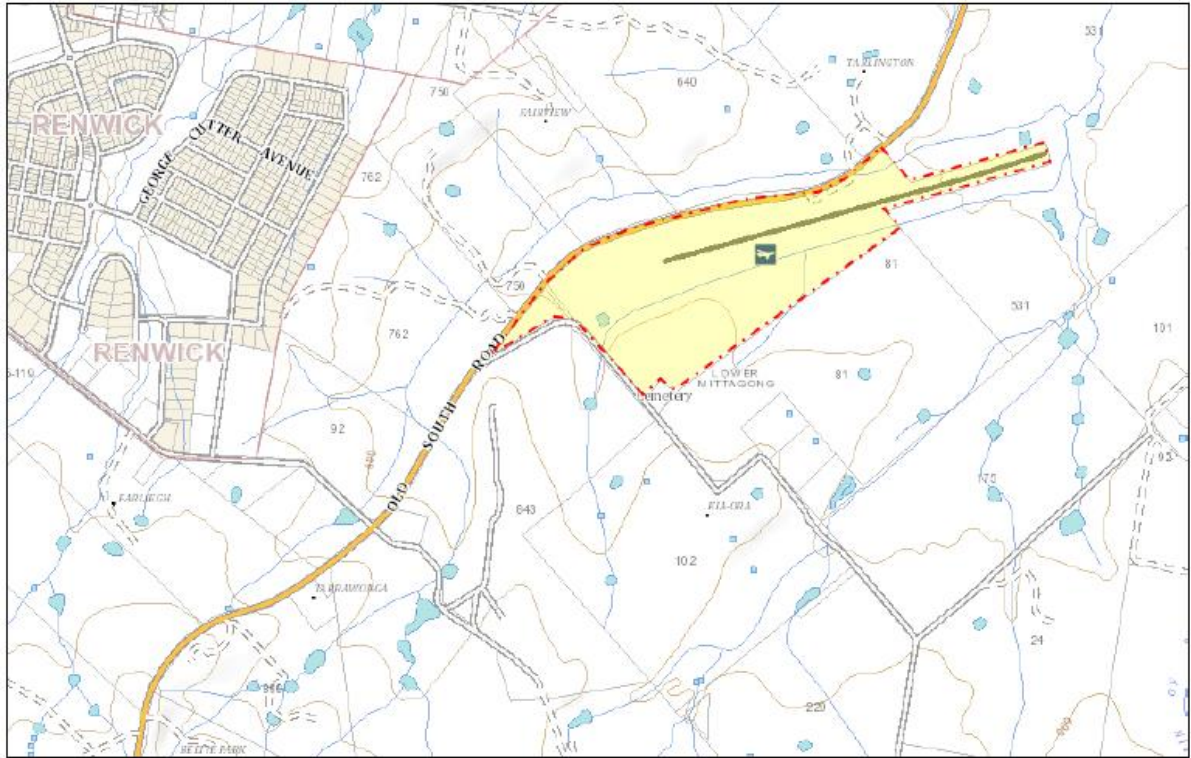
The subject land is located on Old South Road, Mittagong, approximately 1.5 kilometres from the intersection of Old South Road and Bong Bong Road as indicated in **Figure 1** below.



**Figure 1 –Locality Map**

The site is generally known as the Mittagong Airfield, originally constructed in 1944 by the Royal Australian Air Force, but now privately owned and maintained by the Berrima District Aero Club. The land is located to the east of the Renwick locality and is bounded by Old South Road to the east and Diamond Fields Road to the south as indicated in **Figure 2** below.

The land covers an area of some 41.6 hectares, comprising two (2) separate lots, being Lot 11 DP1226788 (37 hectares), and Lot 841 DP1253894 (4.6 hectares) as indicated in **Figure 3** below. Lot 11 accommodates the western portion of the runway as well as a club house and aircraft hangers along the southern side of the runway. Lot 11 also has a dwelling entitlement. Lot 841 is an L-shaped parcel on which the eastern extent of the runway is located.



**Figure 2 – The subject land**







**Figure 3 – Lot 11 DP 1226788 (top) and Lot 841 DP 1253894 (bottom)**

The airfield serves the main aviation needs of the Southern Highlands community, including use by the Rural Fire Service during bush fire emergencies, for aero-medical flights and other medical transfers. It is also used by the National Parks and Wildlife Service and the Australian Defence Forces, for training activities and as a base for power and gas line aerial safety survey work. Aircraft travelling to the Shire for business and tourism purposes also utilise the airfield. The airfield is funded and maintained entirely by Aero Club members.

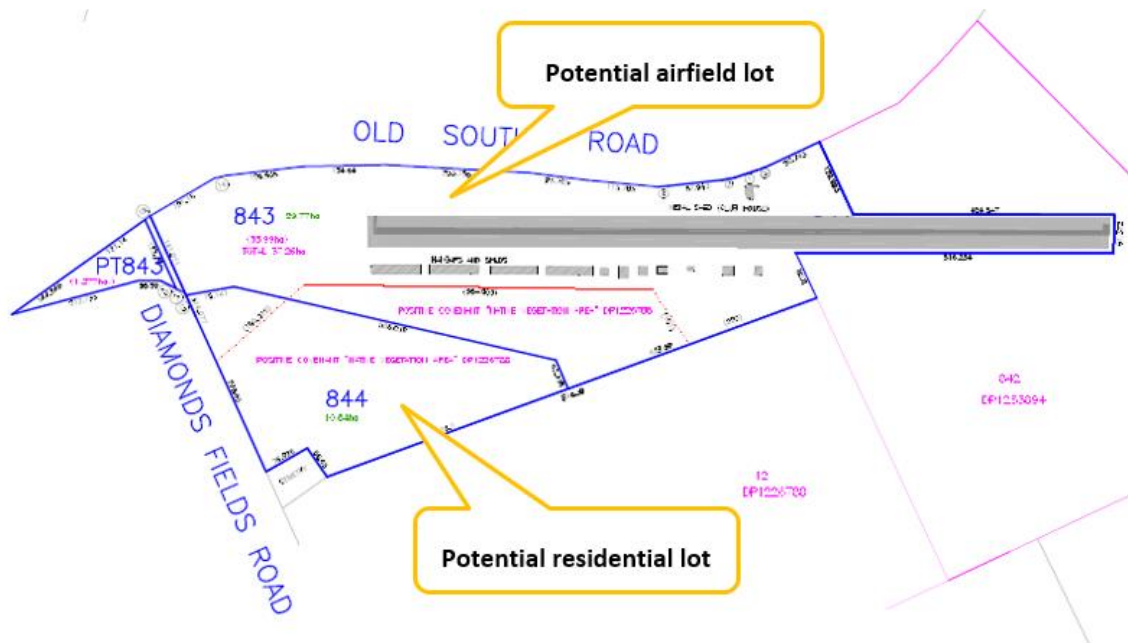
The site is zoned C3 Environmental Management under the Wingecarribee Local Environmental Plan 2010 with a minimum lot size is 40 hectares. However, the larger Lot 11, although less than 40 hectares, does have an existing dwelling entitlement under a previous planning instrument that would enable a Development Application to be lodged for a dwelling house under the current provisions of WLEP 2010.

The objective of the Planning Proposal is to enable a boundary adjustment by means of subdivision to create two new lots from the two existing lots, one for the airfield and associated Aero Club activities and one retaining the existing dwelling entitlement.

One lot would include all of the current Lot 841 plus that portion of Lot 11 currently used for aviation purposes creating a new lot of some 31 hectares used exclusively for the ongoing operation of the Aero Club, identified as Lot 843 in **Figure 4** below.

The remainder of Lot 11 not used for aviation purposes would comprise a second lot of some 10.6 hectares, identified as Lot 844 in **Figure 4** below, to which the current dwelling entitlement applicable to the current Lot 11 would be applied. Both lots would remain zoned C3 Environmental Management with a minimum lot size of 40 hectares.





**Figure 4 – Potential Lot Arrangement (Rein Warry and Co. Consulting Surveyors)**

It is noted that no actual subdivision would occur through the Planning Proposal. Rather the role of the Planning Proposal would be to amend WLEP 2010 to enable this rearrangement of lots to occur. Council could then consider a subsequent Development Application for a boundary adjustment, through subdivision, to create the two allotments described above in an arrangement approved by Council.

The need for the Planning Proposal has arisen because until recently, the Aero Club leased both lots. The smaller Lot 841 DP 1253894 was purchased in January 2020 and the larger Lot 11 DP 1226788 was purchased in February 2022. These purchases were necessary because the previous owner had advised that the Aero Club leases would not be renewed beyond 2024.

The amendment to Schedule 1 which the Planning Proposal would achieve would enable the Aero Club to retain the air field lot and to sell the vacant lot as a future dwelling site, the proceeds of which would secure the airfield's financial future and provide for its ongoing maintenance.

## **STRATEGIC ASSESSMENT**

### ***Strategic Merit***

The Planning Proposal seeks an amendment to WLEP 2010 to facilitate the ongoing provision of a community facility recognised for its community and economic value to the Shire. Securing the financial viability of the air field would support the social, community and economic values and objectives included in the South East & Tablelands Regional Plan, as well as in the Wingecarribee Community Strategic Plan. The Wingecarribee Local Strategic Planning Statement also reflects the objectives which retention of the air field for community and economic use would achieve.

### ***Site Specific Considerations***

No actual changes of land use would result from the Planning Proposal. A large portion of the site is well established as air field and the remainder of the site already has a dwelling entitlement. It is noted that a portion of the lot (Lot 11) with the dwelling entitlement does contain vegetation



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If a Gateway Determination to proceed with the Planning Proposal is received, public exhibition would be undertaken for a period of at least 28 days with the Planning Proposal notified on Council's *Your Say Wingecarribee* website and included in other Council community communications. Neighbour notification would also occur.

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### **SUSTAINABILITY ASSESSMENT**

#### **Environment**

A portion of the subject land does contain vegetation identified on both National and State Registers as either a Threatened or Endangered Ecological Community. The Planning Proposal is accompanied by a Native Vegetation Review prepared by Arboricultural Consultancy Australia and a Bush Fire Assessment report prepared by Sowdes, but it would be at the DA stage that the environmental impact of any future dwelling on the site would be considered. It is noted that the Planning Proposal does not create a new dwelling entitlement, but rather seeks to retain an existing entitlement and so does not impose additional development potential on to the site.

#### **Social**

The airfield does support a range of essential community services and therefore is considered to provide a public benefit which the amendments outlined in the Planning Proposal would support through enabling the Aero Club to secure the financial viability of the airfield and its activities.

#### **Broader Economic Implications**

The Proposal would enable the Aero Club to secure the financial viability of the airfield and its activities and thereby secure the business and community benefits associated with it.

#### **Culture**

There are no cultural issues in relation to this report.

#### **Governance**

The Planning Proposal would be processed in accordance with relevant legislation and Departmental guidelines.

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### **COUNCIL BUDGET IMPLICATIONS**

There are no related budget implications associated with this report.

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### **RELATED COUNCIL POLICY**

There are no related Council Policies associated with this report.

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### **CONCLUSION**

No actual changes of land use will result from the Planning Proposal. The site is legally operating as an air field and one of the lots already has a dwelling entitlement. The Planning Proposal seeks to enable a more efficient and orderly use of the land for both purposes through a boundary adjustment by means of subdivision. No additional lots, nor entitlements, would be created. Therefore, it is the recommendation of this report that the Planning Proposal be supported.

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**ATTACHMENTS**

Nil

## **S1.2 Moss Vale, Bowral and Mittagong Sewerage Treatment Plants - Update**

**Report Author:**                   **Manager Project Delivery**

**Authoriser:**                       **General Manager**

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### **PURPOSE**

The purpose of this report is to provide context to the challenges encountered with the progression of the three Sewer treatment Plants and to provide a status update.

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### **OFFICER'S RECOMMENDATION**

**THAT Council notes the contents of the report**

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### **REPORT**

#### **BACKGROUND**

Council continues to embark on the delivery of the three major sewer treatment plant upgrade projects. The importance of these critical infrastructure improvements is well understood, both from capacity servicing and an environmental perspective, as well as consequences of further delays in respect to development assessment impacts. Council has and continues to maintain focus and commitment to the delivery of these projects. The following information is provided to put into context the complexities and constraints associated with the design, approvals and delivery. Whilst these projects are extremely complex and technical in nature with numerous levels of legislative and authority approvals, the current tendering climate has also not been conducive to an expedient process.

It is to be noted that the necessity for the upgrading of the STPs was known and documented in the Integrated Water Cycle Management strategy (IWCM) dated September 2018, but the complexities of the required investigations and design development was not fully appreciated by the authors of the IWCM. The IWCM assumed that the STP upgrades would involve augmenting the existing processes simply by inclusion of further additional same (or similar) treatment units. The authors prepared initial concept reports for the STP upgrades on this basis.

The regulators required catchment monitoring and investigations required to demonstrate that the resulting STP designs would not have an adverse impact on the sensitive receiving waters (being the source of the Sydney drinking water catchment). Detailed proposals were discussed with the regulators to ensure that their expectations were met (as the regulators could not provide any requirement guidelines or the like) – especially given the complexity and duration of the required field works and studies. These investigations required extensive water quality monitoring in each of the receiving catchments, which was then used to model the impact of potential effluent discharges from the STPs (on a number of different treatment process scenarios). The consultancy services required for these investigations were difficult to procure given the highly specialised nature of the work. The extent of field work (required to be undertaken in all seasons) and complex modelling

extended the investigations phase of the projects (which were not envisaged by the authors of the IWCM).

The completion of the Review of Environmental Factors (REF) was dependent on the drafting of the Discharge Impact Assessment report (prepared from the result of the catchment investigations). Concurrence from the regulator on the REF findings was required to provide surety that the proposed treatment processes would meet the EPA's expected variation to the discharge licence conditions (which the STPs operate under).

Progress on the detailed design phase (for the three proposed STP upgrades) was impeded due to the findings of the Discharge Impact Assessment report demonstrating that the augmentation of the existing treatment processes as suggested in the initial concept report(s) would not be able to meet the stringent effluent discharge requirements as flows increase over time (especially with regard to contaminant removal of Total Nitrogen and Total Phosphorus). As such it was determined to change the treatment processes – both with regard to secondary biological treatment and tertiary filtration. The original concepts were also relatively silent with regard to sludge handling – with this matter now being addressed in the detailed designs (as part of a 'shire wide' strategy). These significant changes required time to arrive at such critical decisions and resulted in significant additional design effort by the Principal Design Consultant.

It is further noted that the IWCM did not appear to appreciate the complexity of the brownfield nature of the Bowral STP site, with regard to site constraints limitations, underlying rock and groundwater, potential flood impactions and deficiencies in some of the existing infrastructure. Due to site constraints the upgrade works will be required to be undertaken in two distinct stages - which impact on prolongation of construction timeframes and cost.

As part of the design development of the three STP upgrades, operational issues and life cycle costs have been taken into consideration. As the three upgrades will result in plants of similar design capacity (Equivalent Population 21,000), the same treatment processes will be used, with similar sized structures and preferred equipment. This will result in operational benefits associated with operator familiarity, equipment spares and servicing.

Progress in the initial stages of the Bowral STP upgrade was impacted by COVID restrictions (when critical decision meetings were required, and 'face to face' design HAZOP workshops were scheduled with operational staff). The resulting documentation for the Bowral STP Upgrade is considered a robust design – as indicated by the few design clarifications sought in the tender process.

With regard to the STP upgrade projects, Council has showed financial responsibility in reviewing the Sewer Fund Financial Model and Long-Term Financial Plan both prior to going to tender and following receipt of submissions for the Bowral STP Upgrade construction tender.

It is further noted that some grant funds have been obtained for the Bowral project, and further funding applications submitted for the Moss Vale project (to supplement Council funding).

It is well known that the construction market is currently 'overheated' – and it has been widely reported as impacting on the pricing of larger scale projects in Australia. The volatility in construction industry pricing has been attributed to a number of factors including matters related to COVID; global supply chain issues; inflation uncertainties; currency fluctuations; material cost increases; fuel prices; and skilled labour shortages. These matters were reflected in the Bowral STP Upgrade construction tender submissions in that there was a significant variance between the pre-



tender estimate and the tender prices. Council's resolution to enter into negotiations (with the view to enter into a contract for the Bowral STP upgrade works) is with the aim to thoroughly explore and discuss (with the most advantageous tenderer) matters which may lead to a better financial outcome for Council. Given the scale of the project and that the project is being funded by public money (being a combination of Council and State Government grant funding) Council has a duty to take all reasonable steps to achieve the best possible outcome (especially from a financial aspect) - albeit there will be some time related impacts to the award of contract.

The scale of each of the STP upgrade projects present resourcing challenges for Council in the ability to provide project management resources to deliver this complex infrastructure program. As such the delivery approach is to stagger each project (with overlaps in the tendering/construction of each project). This approach also assists with finalisation of designs (including with preferred equipment and lessons learned) and financial management (of the Long-Term Financial Plan). Therefore, the additional effort and prolongation to awarding the Bowral STP upgrade contract has resulted in knock on effects to the other projects. It should be noted that the Moss Vale design is significantly completed with final documentation review awaiting the outcome/award of the Bowral STP negotiations; and the Mittagong STP design is at a stage where all structures and equipment has been sized and the layout complete (to align with existing infrastructure to be retained and achieve hydraulic profile requirements).

Although the plants are currently meeting their EPA licence obligations, Council is more than aware of the criticality of the required upgrades for a number of reasons. Not only are the upgrades required to meet future population demands, but also to improve process and operational performance to further protect the sensitive receiving waters (and Sydney's drinking water catchment). The timing needs for the three STP upgrades occurring concurrently has major impacts on Council's resourcing, but substantial progress has been achieved on all three projects. Previous reports to Council have acknowledged the broader economic implications and benefits to the local business community which will result from the delivery of the STP upgrade projects.

## **REPORT**

### **SEWER TREATMENT PLANT PROJECTS UPDATE**

Council is currently progressing with the tender negotiations as resolved at the 21 October Ordinary Council Meeting MN 2022/230. The multifaceted negotiations are extremely technical and time consuming and are anticipated to be concluded early in the new year with the intent to award a contract and commence construction in the first quarter of 2023.

The outcomes of the negotiations may further influence design works currently underway for Moss Vale STP. To maintain a consistent approach and strategy for the three plants, any changes to scope made during the negotiations will need to transcend to the subsequent two designs. Moss Vale STP design is nearing completion whilst development of Mittagong STP design is still developing. The detail design for Mittagong will be fast tracked considering the learnings and details developed for Bowral and Moss Vale.

Council remains committed to the delivery of these key infrastructure projects, and will maintain a diligent, rigorous and considered approach to adequately investing community funds and providing the best overall infrastructure outcome.

### **IMPACTS ON DEVELOPMENT**

The Bowral, Moss Vale and Mittagong STPs are critical pieces of enabling infrastructure to unlock employment lands and housing supply within Shire. Specifically, the New Living Areas identified in the Local Housing Strategy are reliant on upgrades to the STPs to facilitate rezonings within these areas, to meet the long-term housing needs of the community.

It is noted that a significant body of work is required to support any rezoning within the New Living Areas. Therefore, Council is using this time to progress the strategic, environmental and infrastructure planning, to ensure that the land is development ready when capacity is available within the STPs.

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### **COMMUNICATION AND CONSULTATION**

#### **Community Engagement**

Community engagement is ongoing through the online Projects page, media releases and community information sessions.

#### **Internal Communication and Consultation**

Internal consultation continues to be undertaken between Project Delivery, Governance, Finance and Water & Sewer branches.

#### **External Communication and Consultation**

External communications are ongoing with consultants, authorities and regulators.

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### **SUSTAINABILITY ASSESSMENT**

#### **Environment**

There are no environmental issues in relation to this report.

#### **Social**

There are no social issues in relation to this report.

#### **Broader Economic Implications**

The Bowral, Moss Vale and Mittagong STPs are critical pieces of enabling infrastructure to unlock employment lands and housing supply within Shire. Council is committed to delivering these major infrastructure upgrades, to ensure that we can continue to meet the economic and housing needs of the community both now and into the future.

#### **Culture**

There are no cultural issues in relation to this report.

**Governance**

An external probity advisor is engaged to oversee the negotiations process.

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**COUNCIL BUDGET IMPLICATIONS**

There are no budget implications in relation to this report.

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**RELATED COUNCIL POLICY**

Not applicable.

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**CONCLUSION**

The proposed upgrades of the Bowral, Moss Vale and Mittagong STPs are critical infrastructure improvements, to increase the capacity and servicing of the STP's as well as deliver significant improvements to water quality and environmental outcomes.

Specifically, the STP upgrades are critical pieces of enabling infrastructure to unlock employment lands and housing supply within Shire, and Council remain committed to delivering these major infrastructure upgrades.

Despite significant challenges, Council continues to work with key stakeholders to progress the upgrades as quickly as possible, to ensure that we can continue to meet the economic and housing needs of the community both now and into the future.

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**ATTACHMENTS**

Nil