

Bass Coast Amendment C152 – Wonthaggi North East PSP

Changes Report



November 2021

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1 INTRODUCTION

The direction to provide this Changes Report was originally identified in Direction 3b made by the Standing Advisory Committee (SAC) in its further directions Tranche 2 Hearing letter dated 20 April 2021. The Direction was made in relation to the Victorian Planning Authority Standing Advisory Committee Referral 3, draft Bass Coast Planning Scheme Amendment C152bass *Wonthaggi North East Precinct Structure Plan* (PSP), *Development Contributions Plan* (DCP), *Native Vegetation Precinct Plan* (NVPP) and other amendment documentation. The SAC subsequently issued Tranche 2 Directions on 5 November 2021 which stated the VPA must provide:

A Changes Report which sets out the key differences between the Tranche 1 Amendment materials and Tranche 2 materials in a written summary and table form for all Amendment documents and any new or amended background reports.

The intent of this report is to outline changes made to the PSP, DCP, NVPP and other amendment material following the Tranche 1 hearing that occurred in April 2021, and provide the rationale for the proposed changes.

Following the Tranche 1 hearing, the VPA completed further work in accordance with the revised action plan (circulated on 13 April 2021) regarding gas and water pipelines, review of the drainage strategy and further investigation into the existing s173 agreements in the PSP area. Broadly, changes made to the amendment documentation and outlined in this Report can be grouped into the following categories:

- Changes agreed to as part of the VPA and Bass Coast Shire Council's closing submission, findings from the SAC's Tranche 1 Interim Report and responses to submissions;
- Changes made in response to the Safety Management Study for transmission pressure gas pipeline identified near the PSP area;
- Changes made in response to the amended Drainage Strategy and drainage functional designs and costs;
- Changes made in response to the revised Transport Impact Assessment and revised transport designs and costings;
- Changes made in relation to bushfire matters in response to the Addendum to the Bushfire Report.
- Changes made in response to further investigative work conducted in relation to the DCP and s173 Agreements; and
- Other miscellaneous changes, including changes made in response to further negotiations with parties.

Changes have also been made to amendment documentation which do not fit into the above categories, such as administrative changes, which are also captured in this report.

It is recommended that this report is read in conjunction with the following documents:

- All updated and new background reports circulated on 22 November 2021;
- Submissions summary and change matrix (November 2021);
- *Wonthaggi North East Precinct Structure Plan* (November 2021);
- *Wonthaggi North East Development Contributions Plan* (November 2021);
- *Wonthaggi North East Native Vegetation Precinct Plan* (November 2021); and
- VPA and Bass Coast Shire Council's Tranche 1 Closing Submission (16 April 2021).

The changes matrix provides a line by line break down of changes to all documents in table form, and are attached as Appendix A and B to this Report (uploaded as separate attachments).

Any reference to a plan section or any other part of a document (e.g. PSP objectives, requirements and guidelines) reflects the updated versions circulated on the 22 November 2021.

2 BACKGROUND REPORTS

Table 1 identifies the Background Reports that have been updated or newly developed since the Tranche 1 hearing. All reports are available to download on the VPA’s website.

Table 1 - Revised or new Background Reports

Document	Revised document or new document	Key findings or recommendations	How its informed the Amendment
Addendum to the Bushfire Strategy (Terramatrix, August 2021)	Revised	Bass Coast Shire Council will maintain vegetation in drainage reserves and waterways in a low threat state.	PSP Plan 8 (Bushfire) has been updated to reflect revised setbacks and several PSP requirements and guidelines related to landscaping have been updated to ensure bushfire hazard setbacks are not extended when undertaking landscaping (See Section 3.1.2. of this report for more detail).
Safety Management Study (PDA, October 2021)	New	No sensitive uses are to be located within the 143m measurement length of the transmission pressure gas pipeline (the pipeline). Transport and drainage infrastructure in proximity to the pipeline has been updated to ensure requirements of MultiNet Gas are included.	The pipeline measurement length has been utilised to implement several provisions in the PSP and Urban Growth Zone Schedule to ensure the safety risks presented by the pipeline are appropriately addressed by the amendment. See Section 3.3 and 4.4 of this report for more detail).
DCP Options Report (Mesh, October 2021)	New Study	Landowners with existing S173 agreements are not required to pay additional contributions on land where there is an approved planning permit.	Landowners with existing S173 agreements not required to pay additional contributions on land where there is a current approved permit. This has been reflected in the DCP document. See Section 4.3 of this report for more detail.
Drainage Strategy (Engeny, 2021)	Revised	Drainage strategy from 2019 generally remains, but some assets modified to account for updated design standards and further investigation into gas and water mains.	Modelling has informed more detailed functional design work (see Alluvium report summary below). See Section 3.1 and 4.1 of this report for more detail.

Notably, the size and layout of Wetland 1 has been modified.

Crossing of the transmission pressure gas pipeline and desalination pipeline has been service proved and refined.

Outfall channel concept proposed to address downstream drainage connections.

<p>Drainage Functional New Design Report (Alluvium, November 2021)</p>	<p>Functional design work undertaken to reduce uncertainties associated with drainage concept layout.</p>	<p>Net reduction in the quantity of independent sediment basins (12 less than 2020 DCP) and culverts (1 less than 2020 DCP). Land take is now included for independent sediment basins.</p>
		<p>Quantity of wetlands and waterways remains the same, however layout has been modified to ensure asset performance meets relevant standards.</p>
		<p>Cost estimates for all designs have been investigated and more accurately reflect the true cost of constructing the drainage assets proposed. Costs have informed the updated DCP. See Section 3.1 and 4.1 of this report for more detail.</p>
<p>Transport Impact Revised Assessment (Stantec, November 2021)</p>	<p>Transport infrastructure cost estimates refined to account for existing utilities and VPA standard contingencies.</p>	<p>Transport project costs updated in the DCP.</p>
	<p>Additional 245m section of McGibbonys Road required to cater for additional forecast demand generated by the PSP.</p>	<p>Additional road project (RD-02) added to PSP and DCP.</p>
		<p>Additional intersection added to PSP and DCP (Korumburra-Wonthaggi/ Connector Road).</p>

	IN-04 design updated to respond to DoT submission.	See Section 3.2 and 4.2 of this report for more detail.
Bridge Concept and New High-Level Cost Estimate (Cardno, November 2021)	Cardno were engaged to complete a concept design and high-level costing for three (3) crossings spanning East-West across the main outfall channels.	Designs and costs for the three crossings over the main outfall channel, CU-14, CU-15 and CU—16. See Section 3.1 and 4.1 of this report for more detail.

2.0 Further work on background reports and DCP designs and costs

Drainage projects

Following the Tranche 1 hearing, the VPA commissioned Alluvium Consulting to complete functional designs and costs for drainage items needed to meet the requirements of the *Wonthaggi North East Drainage Strategy* (November 2021), prepared by Engeny Water Management. One of the drainage items investigated by Alluvium was a channel connecting flows from the precinct to the downstream Powlett River (main outfall channel). The main outfall channel runs through farmland external to the precinct (refer also to section 2.1.2) and the need for this channel is supported by modelling and a concept design in Engeny’s work. Alluvium has completed a functional design for the main outfall channel per the channel length reflected in Engeny’s concept design. However, Alluvium has identified that the main outfall channel from the PSP is unresolved and if not managed appropriately is likely to result in flooding on the relevant land. To address this issue the ultimate final component of the outfall design of the PSP to the Powlett River must be designed and costed. The scope of this work will consider:

The alignment of the channel through the subject land to the Powlett River to ensure no additional flooding to the subject land from the PSP;

- Managing potentially erosive PSP flows on the existing open farm channels abutting and in the vicinity of Powlett River;
- Protection of existing riparian vegetation (to maintain bank stability); and
- Consideration of existing river bank and levees.

This further work will result in new functional designs and cost sheets to be included within the DCP. This work will be completed and circulated to all submitters via email on or before the 14 March 2022.

Transport projects

Through the finalisation of the drainage functional designs, it was identified that intersection IN-04 would be required to move south to avoid wetland 1. The design and cost of IN-04 has been included in the DCP for re-notification based on its old location. The design will need to be updated to reflect the new location, which may subsequently impact the cost. It is anticipated that any change to the design and therefore the cost would be minor.

Through the finalisation of the revised transport designs and costs, the need for a new DCP intersection project has been identified. This project is identified as IN-09 in the DCP. The cost of this item is an estimate based on a comparable intersection design already completed for the DCP. This item will require a new design and cost to be completed.

This further work will be completed and circulated to all submitters via email on or before the 14 March 2022.

3 PSP CHANGES

3.0 Response to Submissions, Tranche 1 Closing Submission and Interim Report Changes

This section outlines changes made to the PSP. Each change made and the rationale behind the change is outlined below.

3.0.0 Response to Submissions (received November 2020)

A series of changes were agreed in response to submission received prior to the commencement of the Tranche 1 Hearing. These changes were captured in the VPA's Part A and B submissions to the Tranche 1 Hearing. These are identified in Table 2.

Table 2 - PSP Changes made in response to submissions received in November 2020

Submitter	PSP Section	Change Made
5	Figure 2	Added note to legend: "Note: Planning Schemes are not binding on the use and development of land carried out by, or on behalf of, the Minister for Education; see Government Gazette G5 10 th February 1998."
5	3.3.2	Added note at start of section: "Note: Planning Schemes are not binding on the use and development of land carried out by, or on behalf of, the Minister for Education; see Government Gazette G5 10 th February 1998."
5	3.3.2	New guideline added to PPS: "The drop off/pick up facilities for the proposed government school and adjacent kindergarten should be located in close proximity where practicable."
5	Plan 11 (Integrated Water Management)	'Underground pipes' reclassified as 'Underground local drainage pipes' in legend to clarify their function.
5	R60	Third dot point in the requirement amended to clarify that the conditional exemption from sewer connections for lots greater than 2000sqm applies to residential lots only. Additional dot point added: "In staged subdivisions, land containing proposed government school sites, adjoining community centres and abutting streets should be included in one stage."
5	R31 (Exhibited)	Requirement deleted as no non-government school sites have been identified as part of the PSP.
5	Plan 3 (Future Urban Structure)	Note added to plan: "Community Facilities includes kindergarten; see incorporated Wonthaggi North East Development Contributions Plan."
11	Plan 3 (Future Urban Structure)	Plan amended to show length of Oates Road from north-south connection east to Korumburra Wonthaggi Road to maintain outline of road but instead shown as residential land.
16	Cross Section 6	Note added: "Can be modified to incorporate 2.5m shared path with reduced nature strip width if identified as accommodating bicycle path in Plan 10 of the PSP."
19	Plan 10 (Public Transport)	Potential cycling connection included at Carneys Road and Industrial Connector Road intersection.

Submitter	PSP Section	Change Made
21	Cross Section 9	Note added: "The western edge of Fuller Road behind the kerb and channel may be amended to provide an appropriate rural interface."

3.0.1 Bushfire Provisions

As part of the Tranche 1 Hearing, the VPA agreed to include a specific Bushfire Plan (Plan 8) into the PSP and update the requirements and guidelines relating to bushfire safety in response to the CFA’s submission to the amendment. A consensus regarding the content of the new requirements and guidelines was not reached during the Hearing. At the conclusion of the Hearing, the SAC directed the VPA to work with the CFA to seek to resolve submissions in relation to bushfire issues. The VPA wrote to the SAC and all parties on 11 May 2021 seeking that CFA issues be included within the scope of the Tranche 2 hearing. This request was supported by the SAC via correspondence received on 19 May 2021.

The VPA and Council appointed Terramatrix to prepare an addendum to the existing Bushfire Management Report in response to the CFA’s submission to the Tranche 1 Hearing. Broadly the addendum includes information related to the revised BAL-12.5 bushfire hazard setbacks from precinct vegetation, most notably the reclassification of waterways and drainage reserves as 0m, meeting the criteria for exclusion from classification under AS 3959-2018 *Constructions of buildings in bushfire prone areas*.

The addendum has informed revised proposed requirements, guidelines and plan changes in the November 2021 PSP. These changes are outlined below in the Requirement and Guideline excerpts and in Figure 1. In summary, these changes include:

- Updates to Bushfire Plan 8 to reflect the amended BAL-12.5 setbacks from waterways; and
- Amendments to various PSP requirements and guidelines to ensure landscaping provisions do not have the potential to extend identified bushfire hazard setbacks in Plan 8.

The VPA and Council met with the CFA on 29 April 2021 to discuss the proposed changes to the PSP and corresponded via email. Whilst there was alignment on some aspects, further discussions were required in relation to drafting the bushfire provisions and implementing requirements. These discussions are ongoing and an agreed position between CFA and VPA has not been reached.

The below plan (Figure 1, PSP Plan 8), requirements and guidelines have been inserted into the November 2021 version of the PSP as the VPA’s approach in relation to managing bushfire hazard in the precinct.

The revised provisions were based off the CFA’s recommended requirements and guidelines contained within their submission to the Hearing, but have been modified to recognise the extent of planning permits already issued within the PSP area on GRZ land where houses may have been constructed within identified BAL-12.5 setbacks.

The bushfire requirements in the November 2020 version of the PSP did not account for subdivision permits that had already been issued for land identified as adjoining a bushfire threat interface on the Open Space Plan (Plan 6 in November 2020 version of PSP).

For land not within the UGZ (i.e. land with existing planning permits), guidelines have been utilised in lieu of requirements. The intent of this was to give council discretion in considering amendments to existing permits that might be incapable of meeting the requirements in the event dwellings had already been constructed and occupied.

Whereas in undeveloped areas of the PSP where permits have not yet been issued, it is reasonable to prescribe bushfire safety measures as a requirement for new development.

NEW REQUIREMENTS	
R34	Vegetation within bushfire hazard areas shown on Plan 8 must be managed in way that does not exceed the nominated vegetation classification identified in the plan, unless otherwise agreed by the Responsible Authority and relevant fire authority.
R35	Where land is included in the Urban Growth Zone – Schedule 1, development adjoining bushfire hazards shown on Plan 8 must be setback in accordance with the distances specified on the plan unless otherwise agreed by the Responsible Authority and relevant fire authority.
R36	<p>Where land is included in the Urban Growth Zone – Schedule 1 and a setback from a bushfire hazard is required by Plan 8, unless otherwise agreed by the Responsible Authority and relevant fire authority, vegetation within the setback must be managed in accordance with the following standard:</p> <ul style="list-style-type: none"> • Grass must be short cropped and maintained during the declared fire danger period. • All leaves and vegetation debris must be removed at regular intervals during the declared fire danger period. • Within 10 metres of a building, flammable objects must not be located close to the vulnerable parts of the building. • Plants greater than 10 centimetres in height must not be placed within 3m of a window or glass feature of the building. • Shrubs must not be located under the canopy of trees. • Individual and clumps of shrubs must not exceed 5 sq. metres in area and must be separated by at least 5 metres. • Trees must not overhang or touch any elements of the building. • The canopy of trees must be separated by at least 5 metres. • There must be a clearance of at least 2 metres between the lowest tree branches and ground level.

NEW GUIDELINES	
G42	All vegetation outside of a bushfire hazard area shown on Plan 8 should be managed to ensure a low risk of bushfire.
G43	Subdivision adjoining Bushfire Hazard Areas A, B & C should include a perimeter road unless otherwise agreed by the Responsible Authority and relevant fire authority.
G44	Subdivision should include a network of streets that provide multiple evacuation routes away from bushfire risks and areas of bushfire hazard.
G45	Where a setback is required from a bushfire hazard, the setback should be provided on public land where practical.
G46	All fencing adjoining Bushfire Hazard areas 1, 2 & 3 shown on Map 1 should be made from non-combustible materials.
G47	Landscape design and plant selection in open spaces, including waterways and drainage corridors, should not increase bushfire risk beyond the categorisation shown in Plan 8.
G48	Interim bushfire hazards should be identified and risks appropriately mitigated during development.
G49	Where land is not included in the Urban Growth Zone – Schedule 1, development adjoining bushfire hazards shown on Plan 8 should be setback in accordance with the distances specified on the plan, unless otherwise agreed by the Responsible Authority and relevant fire authority.
G50	Where land is not included in the Urban Growth Zone – Schedule 1 and a setback from a bushfire hazard is required by Plan 8, unless otherwise agreed by the Responsible Authority and relevant fire authority, vegetation within the setback should be managed in accordance with the following standard:

- | | |
|--|---|
| | <ul style="list-style-type: none">• Grass must be short cropped and maintained during the declared fire danger period.• All leaves and vegetation debris must be removed at regular intervals during the declared fire danger period.• Within 10 metres of a building, flammable objects must not be located close to the vulnerable parts of the building.• Plants greater than 10 centimetres in height must not be placed within 3m of a window or glass feature of the building.• Shrubs must not be located under the canopy of trees.• Individual and clumps of shrubs must not exceed 5 sq. metres in area and must be separated by at least 5 metres.• Trees must not overhang or touch any elements of the building.• The canopy of trees must be separated by at least 5 metres.• There must be a clearance of at least 2 metres between the lowest tree branches and ground level. |
|--|---|

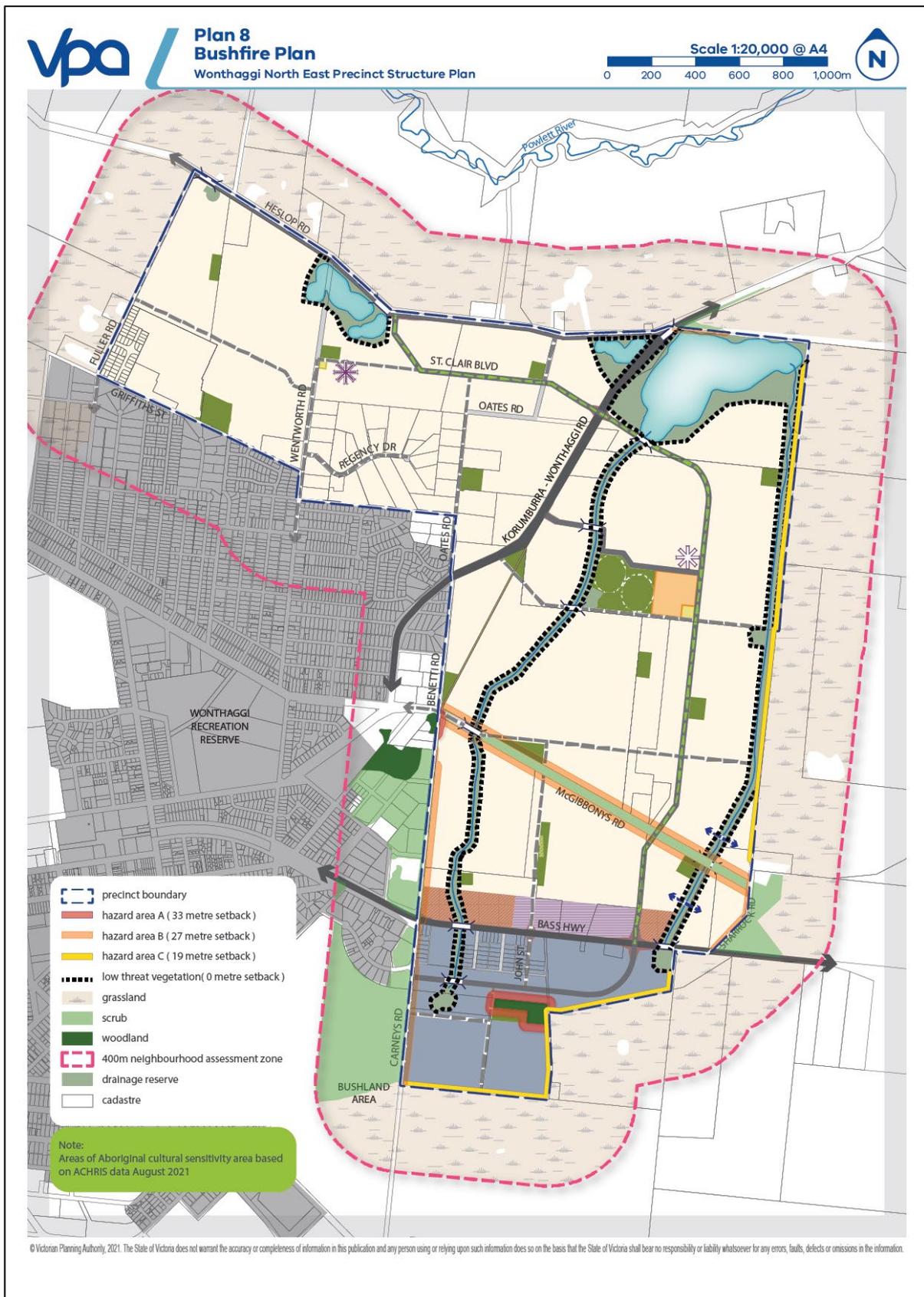


Figure 1 - Proposed Bushfire Plan (PSP Plan 8)

3.0.2 35 Carneys Road

This change relates to the location of St Clair Boulevard as shown within 35 Carneys Road (PSP Property 127), raised by submitter 23. The submitter requested the east-west connector road shown along the southern boundary of the property be shifted north, approximately in the centre of the property to reflect the road layout approved in a Development Plan for the site.

The VPA and Council’s closing submission notes the following:

The VPA and Council agree with submitter 23 in relation to the location of St Clair Boulevard on its land and will amend the PSP to reflect and be consistent with the road layout approved in the 35 Carneys Road Development Plan. Specifically, this requires shifting St Clair Boulevard to the north to align with the road shown in the Development Plan, as identified below:



Figure 2 - Concept Plan for 35 Carneys Road presented in VPA/Bass Coast Closing Submission

The VPA has updated the November 2021 PSP to include this change, as shown in Figure 3. It is noted that the north-south access street (industrial) emanating from St Clair Boulevard has also been extended north to maintain connectivity. The change has been implemented as stated in the closing submission as it is a better reflection of the expected development of the site and nearby properties owing to the approved Development Plan on the site, and is therefore relevant for inclusion.

Exhibited

November 2021 PSP



Figure 3 - Revised Location of St Clair Boulevard through 35 Carneys Road

3.0.3 Local Access Street (Summerfields Estate)

This change relates to the location of an east-west local access street on PSP Property ID 6, requested by Wentworth Pty Ltd (submitter 22) during the Tranche 1 hearing. The VPA agreed to move the location of this

road further south in accordance with a planning permit for a subdivision approved on the site. This change has been reflected in the November 2021 PSP, as shown in Figure 4. This change has been implemented as it is a better reflection of the expected development of the site and nearby properties and is therefore relevant for inclusion.



Exhibited

November 2021 PSP

Figure 4 - Revised Location of Wentworth Road through Summerfields Estate

3.0.4 Eastern Waterway Realignment and Mixed Use Rezoning

The realignment of the eastern waterway and re-zoning of land along the Bass Highway was raised by Submitter 10 (10.06 and 10.07) and discussed during the Tranche 1 hearing. The VPA and Council’s closing submission stated the following in relation to these proposed changes:

The VPA and Council agree with the position of submitter 10 that:

- *the depth of the C2Z land be 90 metres;*
- *the MUZ be extended eastwards, as identified below; and*
- *it will support the realignment of the drainage corridor, subject to approval from DELWP and any investigations as part of the further drainage work undertaken as part of Tranche 2. (The VPA and Council note that the drainage corridor is Crown land and that shifting the drainage will impact on the existing culvert location and shorten the pipe south of the culvert.)*

The above position is illustrated in the following plan:

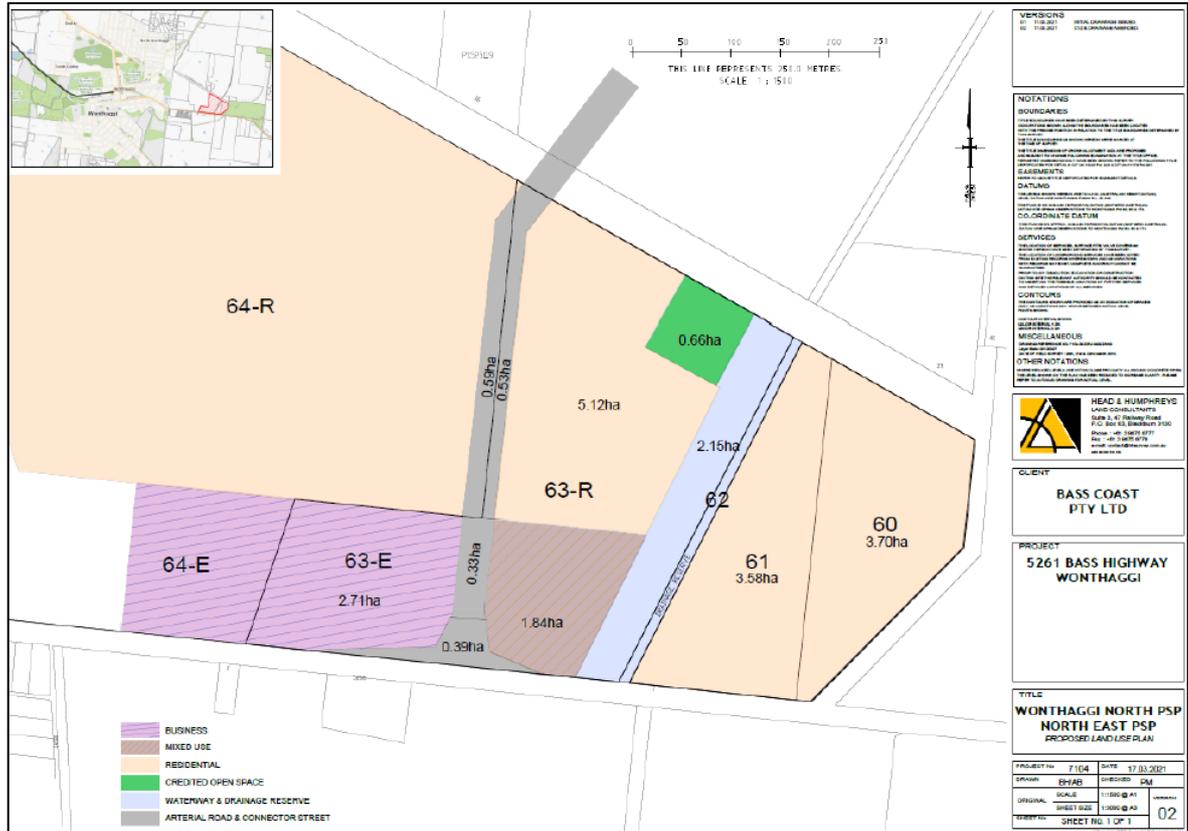


Figure 5 - Excerpt of Plan from Closing Submission showing realigned eastern waterway and Mixed Use rezoning

The Future Urban Structure Plan has been updated to realign the waterway onto the crown land and accommodate the Mixed Use Zone (MUZ). The VPA received confirmation from DELWP that the realignment of the waterway onto crown land was supported.

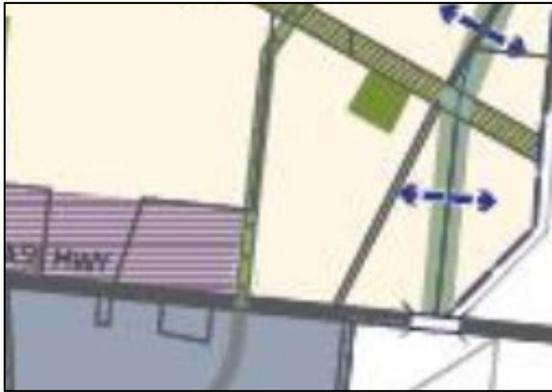
However, it is noted that the statement made in the VPA and Council’s closing submission relating to the depth of the Commercial 2 Zone (CZ2) land being 90m is erroneous, and the depth of the CZ2 land in the November 2021 PSP has not been changed from what’s shown in the exhibited version. Submitter 10 requested the land to the east of the boulevard be rezoned to commercial (submission item 10.07). The VPA and Bass Coast Council did not support an over-provision of CZ2 land in the precinct. Therefore, in order to accommodate this land to the east of the boulevard, it was proposed to reduce the existing extent of the submitter’s CZ2 land to 90 metres in order to ensure there was no net increase of commercial land.

However, during the Tranche 1 hearing, Submitter 10 changed their position and requested the land to the east of the intersection be rezoned to MUZ instead of the CZ2. If the 90m depth of the CZ2 land were to be retained, this would result in a net loss of CZ2 land, contradicting the recommendations of the *Commercial and Industrial Land Assessment* (prepared by Urban Enterprise, 2017) that recommended 8 hectares of CZ2 land be provided within the PSP. Therefore, when making these changes, the depth of the CZ2 land has been retained. It is also noted that the above plan that was prepared by Submitter 10 and included in the VPA and Council’s closing submission did show the Commercial land at a depth of 90m.

The exhibited and November 2021 PSP versions demonstrating the implemented changes are shown in Figure 6.

These changes have been made to facilitate an improved transition of land uses in this part of the precinct.

Exhibited



November 2021 PSP

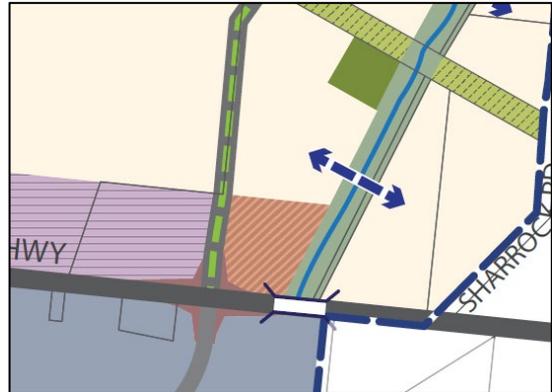


Figure 6 - Future Urban Structure Comparison for Submitter 10 Changes

3.0.5 DOT Submission – New Cross Section

In Section 8.2 (iii) of the SAC’s Interim Report, the SAC make the following finding:

A new cross section showing services roads on both sides should be added to the PSP to apply to the Korumburra-Wonthaggi Road interface with abutting residential areas.

This cross section has been added to the November 2021 PSP and is identified as Cross Section 15. The cross section depicts Korumburra-Wonthaggi Road and the service road interface it will have with residential areas. Plan 9 (Road Network) has also been updated to reference the new cross section. An excerpt of the cross section is provided in Figure 7. It is noted that DoT were consulted on the cross-section prior to its inclusion into the November 2021 PSP and provided support for its design.

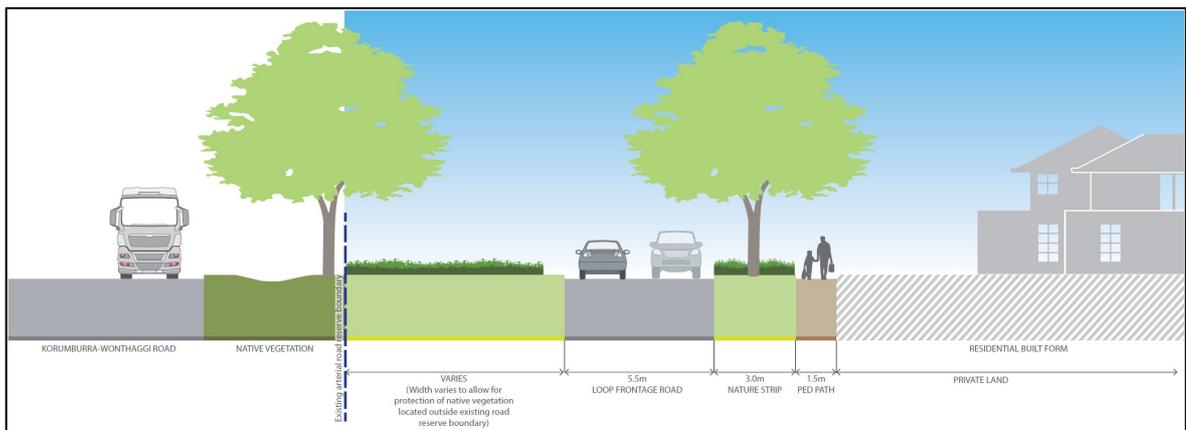


Figure 7 - Cross Section 15

3.0.6 Revised Housing Diversity Guidelines

In Section 6 (iv) of the SAC’s Interim Report, the SAC made the following finding:

The PSP should include amended requirements and guidelines for housing diversity including affordable housing to provide greater locational guiding criteria.

In response to this finding, Guideline 13 has been amended in the November 2021 PSP to provide further guidance in relation to the provision of medium-high density residential development and affordable housing typologies, recommending their provision in accessible locations:

Guideline 13: Medium-high density residential development, affordable housing typologies and specialised housing forms such as retirement living or aged care should be:

- *Integrated into the wider urban structure.*
- *Located in close proximity to neighbourhood centres and community hubs.*
- *Accessible by public transport.*

It is noted that the same guideline has also been amended to ensure safety impacts related to the high-pressure gas pipeline to the north of the PSP boundary are appropriately managed. Refer to Section 3.3 for more detail.

3.0.7 LP-05 Relocation

In Section 9 (iii) of the SAC's Interim Report, the SAC make the following finding:

The PSP Plan 6 (Open Space) should be amended to move open space LP-05 south along Oates Road from its current position to a location immediately south of property parcel 41.

The Open Space Plan in the November 2021 PSP (now Plan 7) has been amended to relocate LP-05 in the described location. This change is shown in an excerpt of Plan 7 in Figure 8 below. This change has no impact on the Land Use Budget for PSP Property 40 as the total area of the park on the land remains the same.



Figure 8 - Excerpt of Open Space Plan

3.1 Changes made following revised drainage work

Prior to the Tranche 1 hearing, a conclave of drainage experts issued a statement of agreed opinions providing direction on unresolved drainage-related issues. The following points required further work to be done to update the exhibited *Drainage Strategy* (Engeny, October 2019):

- *Conclave point 3 – All experts agree that increased flows in any event up to 1% AEP onto properties downstream of the PSP is a liability risk to council that appears currently unresolved;*
- *Conclave point 4 – All experts agree that increased flood levels east of retarding basin 1 just outside the PSP boundary poses a liability risk to Council*
- *that appears currently unresolved;*
- *Conclave point 6 – All experts agree that the claimed benefit from the reuse of rainwater should be updated to reflect the 2016 census data on the average household occupancy in Wonthaggi as a basis for the reuse benefit being claimed;*

- *Conclave point 7 – All experts agree that there is a long-term compliance risk to adopting rainwater tanks and relying on that reuse to achieve stormwater treatment targets. Council should be aware of this risk. A sensitivity analysis should be undertaken with a range of plausible tank compliance proportions;*
- **Conclave point 9 – All experts agree that, in order to allow staged development and drainage outfalls, a mechanism is needed to facilitate appropriate downstream drainage connection. Drainage easements in favour of Council could be appropriate;**
- *Conclave point 10 – All experts agree that for each waterway and retarding basin asset indicative 1% AEP flood levels, longitudinal profiles and typical cross-section/s that demonstrate a practical drainage outcome are required;*
- **Conclave point 12 – All experts agree that the crossing of the gas pipe and desalination water main is an issue that needs to be resolved through the PSP process as it could have an impact on cost and proposed operating levels of wetland / retarding basin 1;**
- *Conclave point 13 – All experts agree that the assumption on rates for the scheme is critical and should be verified against current local tendered rates;*
- *Conclave point 14 – All experts agree that the drainage strategy (report and associated models) supporting the PSP should provide clarity and consistency that gives all parties confidence in utilising this information to further progress the drainage designs;*
- **Conclave point 15 – [...] the drainage strategy should be updated from Australian Rainfall and Runoff 1987 methodology to Australian Rainfall and Runoff 2019 methodology including climate change and blockage assessments.**

The VPA commissioned Engeny to undertake a revision of its 2019 Drainage Strategy with consideration for the above points raised by the conclave of drainage experts, with a focus on conclave points 9, 12 and 15. The same general drainage design layout has been retained in the updated strategy, with adjustments in asset sizes as necessary to satisfy the updated design standards and respond to constraints of existing services. Engeny was also directed to implement the findings of the SMS workshop to realign an asset in the north east of the precinct, to cover the measurement length of the pipeline (refer to Section 3.3 of this report). The updated *Drainage Strategy* (Engeny, 2021) forms the basis of functional design work, in response to conclave point 10 and 14.

To further reduce uncertainties associated with the concept design of proposed drainage assets, the VPA commissioned Alluvium Consulting to undertake functional designs and costs for DCP drainage projects based off the outcomes from the updated *Drainage Strategy* (Engeny, 2021) This has resulted in the further refinement of the sizing and alignment of assets, outlined in section 3.1.2 of this report.

3.1.0 Downstream drainage connection

Submitter 12 stated that increasing the size of the culverts under Heslop Road and Korumburra-Wonthaggi Road to cater for the increased run off and water flow demonstrate that more water will flow through the landowner's property (465 Heslop Road, Wonthaggi) and compensation and restoration through works should be included as part of the PSP to manage any increase in water events on the property.

In response to Submitter 12 and the agreed statement 9 from the conclave (outlined in Section 3.1 of this report), the revision of the 2019 Drainage Strategy considered downstream drainage connections.

The revised *Drainage Strategy* (Engeny, 2021) indicates an increase in the peak 100-year AEP flows onto the property outside the PSP area at 465 Heslop Road, Wonthaggi and proposes to convey flows through the property by formalising existing drainage channel infrastructure to the Powlett River.

Three channel crossings via culverts are also proposed to enable the landowner to move throughout the property once the channels infrastructure has been formalised. These crossings are discussed further in Section 3.1.1 of this Report.

Creation of legal right to land outside the PSP

Considering there is support from the landowner for the proposed drainage works, the creation of an easement is considered the most suitable and efficient mechanism for Council to obtain a legal right over the part of the land outside the PSP boundary required to accommodate the overland flows from the PSP. This

approach was also indicated as appropriate by the conclave of drainage experts (Conclave Point 9 in Section 3.1).

A three-step process to implement the easement is proposed. The VPA will only be a signatory to step 1:

1. A Deed of Agreement to provide certainty of the proposed resolution pathway (the deed of agreement has been signed by the landowner).
2. A Call Options Deed and a Maintenance Agreement between the landowner and Council that will be enacted if/when the PSP is gazetted.
3. Acquisition of the easement by Council. At this stage this is expected to be undertaken by negotiation between the landowner and Council.

Alluvium Consulting prepared the functional design and cost for the main outfall channel infrastructure.

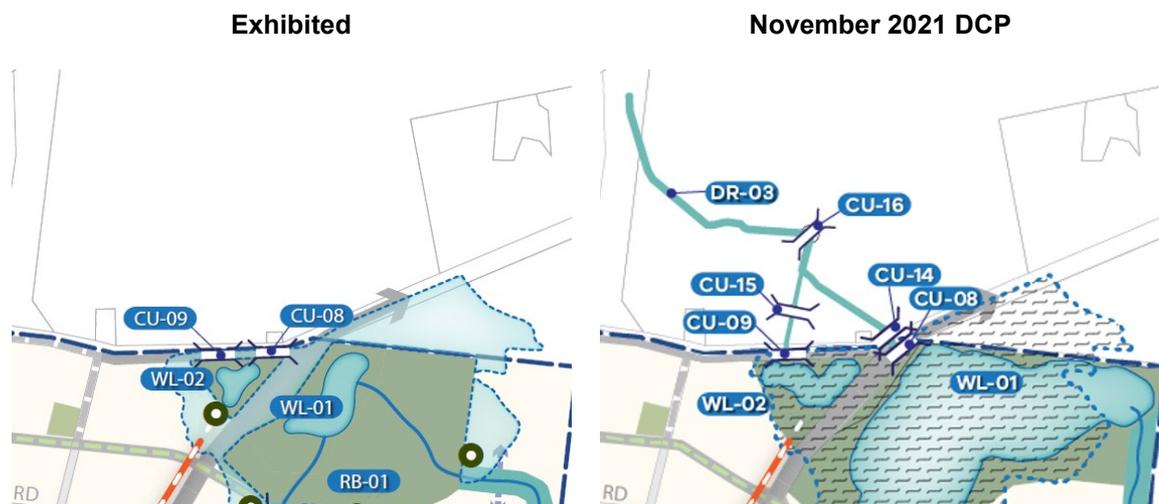
The costs of constructing the drainage assets have been identified by Alluvium Consulting as equating to approximately \$3,750,000 and will be included in the DCP. The land costs will be compensated by Council via the Call Option Deed and will not be included in the DCP. Information on these assets are outlined further in Section 4.1 of the report.

3.1.1 Outfall drainage culverts

Cardno Victoria Pty Ltd (Cardno) prepared concept design and high-level costing for three crossings spanning east-west across the main outfall channels. The crossings are required for the landowner to be able to access the other paddocks within property once the channels are upgraded to accommodate drainage outfalls from the PSP. Cardno's concept design drawing set and cost estimates will be included as transport construction items in the DCP (i.e. CU-14, CU-15 and CU-16).

A summary of the three crossings is as follows:

- DCP CU-15¹: Overall bridge length (span) of approximately 3.8m and soffit of the structure set 200mm above the 50% AEP level. Estimated cost is \$114,026.10 (2021/22\$).
- DCP CU-14¹: Overall bridge length (span) of approximately 8.89m and soffit of the structure set 900mm above the 50% AEP level. Estimated cost is \$225,967.20 (2021/22\$).
- DCP CU-16: Overall bridge length (span) of approximately 18.8m and soffit of the structure set 430mm above the 50% AEP level. The existing pipes are designed to remain within the channel therefore a clear span structure will not apply any load to these pipes and ensure the current integrity is maintained. Estimated cost is \$554,320.07 (2021/22\$).



¹ Order of culvert projects listed as per Cardno report.

3.1.2 Further work related to outfall infrastructure

As identified in Section 2.1 of this report, through the completion of functional designs and costings, Alluvium identified that the main outfall channel from the PSP is unresolved and if not managed appropriately is likely to result in flooding on the relevant land. To address this issue the ultimate outfall design of the PSP to the Powlett River must be designed and costed. The scope of this work will consider:

- The alignment of the channel through the subject land to the Powlett River to ensure no additional flooding to the subject land from the PSP;
- Managing potentially erosive PSP flows on the existing open farm channels abutting and in the vicinity of Powlett River;
- Protection of existing riparian vegetation (to maintain bank stability); and
- Consideration of existing river bank and levees.

This further work will result in new functional designs and cost sheets to be included within the DCP. This information could not be completed prior to the re-notification date (November 2021). This information will be provided to all submitters on or before 14 March 2022 via email.

3.1.3 Changes to sizing and alignment of drainage assets

Alluvium Consulting prepared functional designs and costs in response to the modelling completed by Engeny in the Drainage Strategy (2021). This has resulted in some changes to the sizing and alignment of drainage assets in the PSP as identified below.

Removal of CU-011

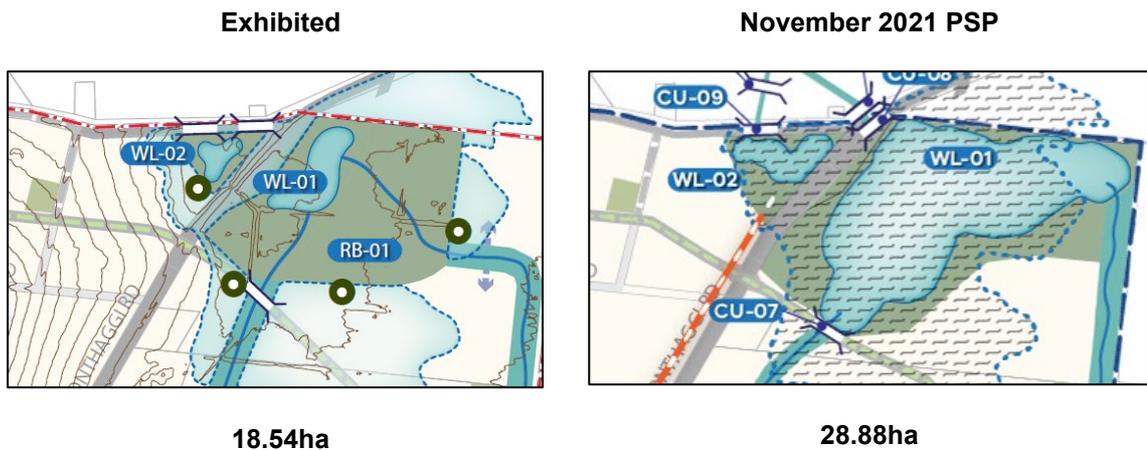
CU-011 has been removed from the PSP as Alluvium has not identified this asset as part of the functional drainage layout.

Addition of CU-013

An additional culvert along the eastern waterway has been added to the drainage strategy, as it has been identified by Alluvium as a critical asset.

Wetland 1/Retarding basin 1

The layout and design of wetland/retarding basin 1 has been refined to improve asset performance. The retarding basin function and several sediment basins have been integrated into the asset. The asset has also been split into two (WL-01A and WL-01B) to improve flows. Below is a comparison of the asset footprint.



Wetland 2

The layout and design of wetland 2 has been further refined to ensure performance of the treatment system complies with appropriate guidelines. Below is a comparison of the asset footprint.

Exhibited



1.73ha

November 2021 PSP



3.42ha

Wetland 3 and 4

The layouts and designs of wetland 3 and 4 have been further refined to ensure performance of the treatment system complies with appropriate guidelines. Below is a comparison of the asset footprints.

Exhibited



4.45ha (combined)

November 2021 PSP



6.33ha (combined)

Sediment basins

Of the 16 sediment basins (SBs) proposed in the 2020 DCP, 5 SBs have been integrated into wetlands, 4 SBs were deemed unnecessary and 2 were recommended to be replaced by GPTs. There were also no land take footprints provided for any of the SBs in the 2020 DCP.

Alluvium is proposing five independent SBs. The land take of each proposed sediment basins is reflected in the PSP. Each of the five SBs has been given a numerical ID.

3.1.4 Other minor changes

Alignment of boulevard connector

As the footprint of WL-01 had been modified, the boulevard connector road and Korumburra-Wonthaggi Road/boulevard connector intersection has been shifted to avoid conflict with the new wetland footprint (See Figure 9).

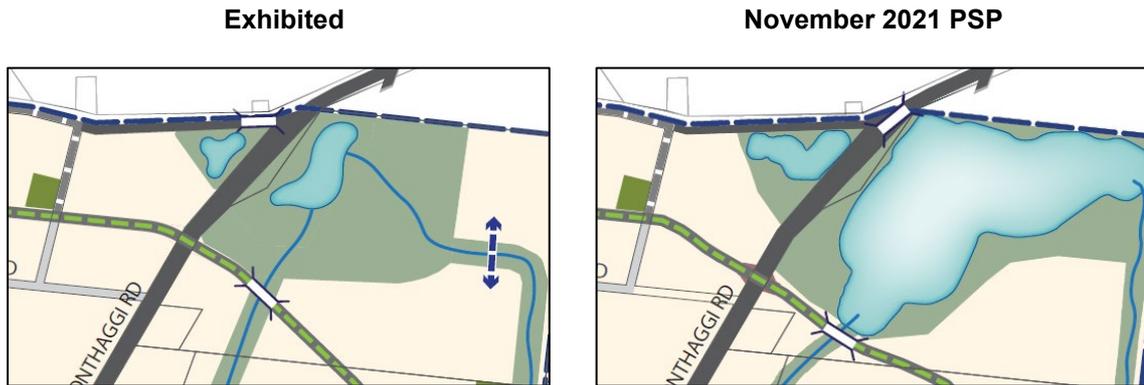


Figure 9 - Proposed boulevard connector and intersection alignment, accounting for WL-01 footprint

Alignment of connector street and active recreation reserve layout

Alluvium have identified the south-western corner of the active recreation reserve as the most appropriate location for a sedimentation basin. Consequently the active recreation reserve footprint and adjacent connector street has been modified to accommodate the new drainage asset (See Figure 10). Concept 2, the “Village Hub Concept Plan” has also been updated accordingly.

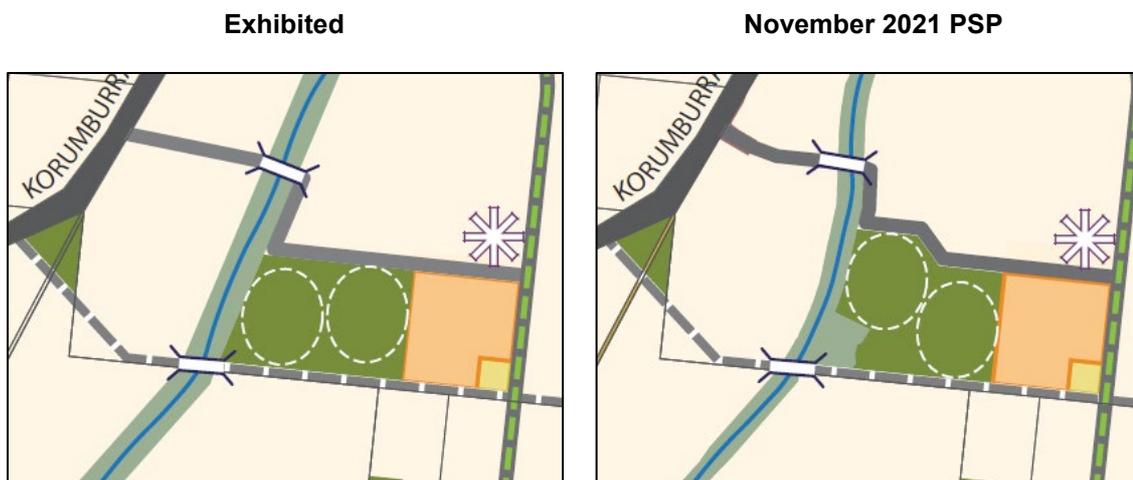


Figure 10 - Proposed new boulevard connector and intersection location

3.2 Changes made following revised transport work

Following the identification of transmission pressure gas pipeline and desalination pipeline, the VPA instructed Stantec (previously GTA) to undertake a comprehensive investigation of all transport infrastructure items to ensure that protection and/or relocation of existing utility infrastructure was accounted for. This investigation did not form part of Stantec’s scope of works and therefore is not reflected in the 2020 exhibited PSP. The updated report also addresses several unresolved issues raised by the Department of Transport.

The PSP implications of the updated transport work are outlined below. Implications on the DCP (i.e. cost of infrastructure) is outlined in section 4.3.

3.2.0 IN-01 consideration of water main

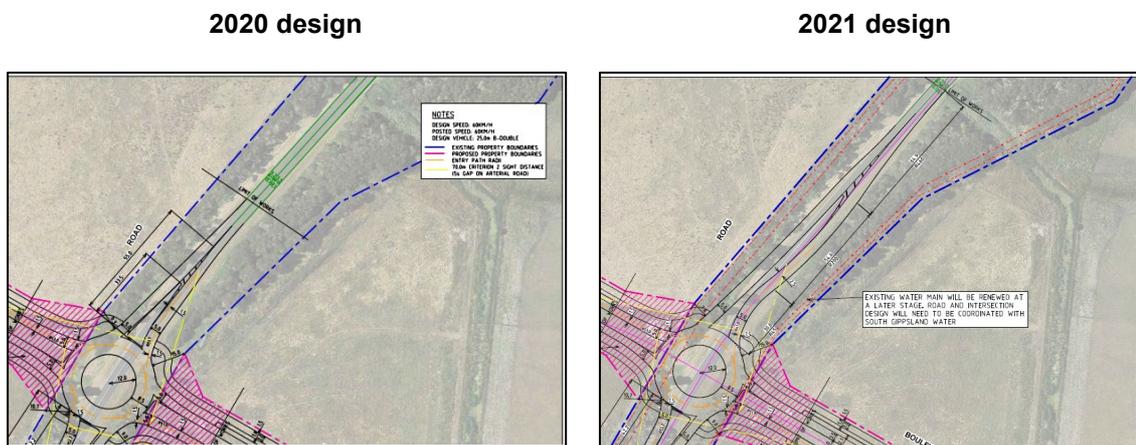
South Gippsland Water advised that there is an existing water main located on the southern side of Heslop Road that crosses Fuller Road on the southern side of IN-01. To avoid relocating the existing South Gippsland Water asset within the Fuller Road Road reserve, the future Fuller Road carriageway may need to be realigned east of the existing road reserve. This does not result in a PSP change as more detailed investigations will be undertaken at the functional design stage, however a note has been included in the concept drawing for IN-01 to investigate further.

3.2.1 Inclusion of RD-02

Stantec determined that the existing McGibbonys Road carriageway between Korumburra Road and the PSP Area is not constructed to a suitable standard to cater for the forecast PSP generated traffic demands. As such, the 245m section of McGibbonys Road, connecting Korumburra Road to the PSP Area, will need to be upgraded to cater for the development of the PSP. The inclusion of this upgrade is considered appropriate for inclusion as a DCP Item.

3.2.2 IN-04 design

The St Clair Boulevard/Korumburra-Wonthaggi Road intersection (IN-04) design has been updated to include an 80km/h design speed on the northeast approach (i.e. to slow vehicles travelling into Wonthaggi on Korumburra Road) as per the requirements of Regional Roads Victoria. The associated costing for the intersection has been updated accordingly.



3.2.3 Additional T-intersection at Korumburra-Wonthaggi Road

As part of Stantec's further work, an additional T-intersection has been nominated at Korumburra-Wonthaggi Road and proposed connector street. The land take has been based off VPA benchmark items, and cost based off Stantec's estimate for IN-03.

A concept drawing and cost estimate will be prepared prior to the Tranche 2 SAC hearing. This further work is identified in Section 2.1 of this report.

3.3 Changes made following Safety Management Study (SMS)

Shortly before the Tranche 1 Directions Hearing, the VPA advised the SAC of the existence of a high pressure gas pipeline owned by Multinet Gas approximately 50m outside the north-eastern boundary of the PSP. The VPA subsequently confirmed that a Safety Management Study (SMS), consultation with agencies and update of Amendment documentation were required to ensure adequate consideration of the high pressure gas pipeline in the PSP. In Section 2.4(ii) of the SAC's interim report, the SAC affirmed the broad agreement that understanding the impacts of pipelines on the PSP and DCP was important, therefore pipeline matters are to be considered in the Tranche 2 hearing.

The VPA engaged a suitably qualified consultant (Project Delivery Assurance – PDA) to prepare the SMS, which included engagement with Multinet Gas (MG), the pipeline licensee. The SMS workshop was conducted on 7 May 2021, in accordance with the safety management and risk assessment process prescribed in AS 2885.6. An AS2885 Pipeline Impact Assessment (PIA) was compiled and discussed at the SMS workshop with VPA, MG and Council.

3.3.0 Pipeline Mapping

Plan 2 – Precinct Features and Plan 12 – Utilities have been updated to depict the transmission pressure gas pipeline, with Plan 12 also depicting the measurement length identified in the SMS (143m). The identification of the measurement length is important for the implementation of objectives, guidelines and provisions in the PSP and ordinance to appropriately manage safety with respect to the pipeline.

Excerpts of Plans 2 and 12 showing the pipeline and relevant buffer distances are shown below.

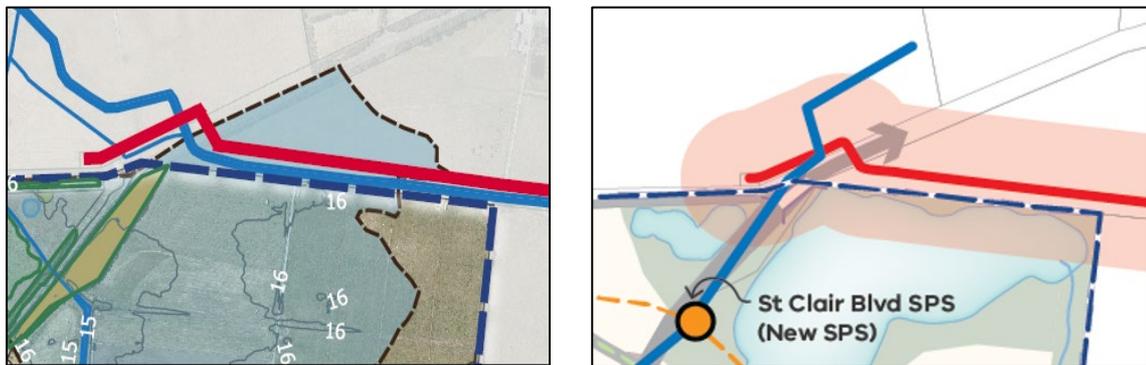


Figure 11 - Excerpts of Plans 2 and 12 showing gas pipeline and relevant buffer distances

Plan 3 – Future Urban Structure has been amended to reflect an updated footprint of Wetland 1, located in the north-eastern corner of the PSP. The SMS workshop confirmed that sensitive uses should be eliminated within the 143m measurement length. It was agreed and documented (refer to item 1.1 of Attachment 3 in SMS Report) that it is appropriate for the VPA to reallocate the PSP area within the pipeline measurement length currently designated as “Residential”, to “Waterway and Drainage Reserve”, i.e. for use as a drainage asset. All other plans have been updated to reflect the new future urban structure and wetland design.

3.3.1 New and Amended PSP Objectives, Requirements and Guidelines

The following changes to the PSP’s objectives and guidelines have been made to ensure the PSP appropriately addresses the safety risk presented by the high-pressure gas pipeline:

- A new objective (O14) has been added to the November 2021 PSP, providing guidance in relation to sensitive uses and potential land use conflict within certain distances of the high pressure gas pipeline;
- Guideline 13 (G13) has been amended to reference the gas pipeline buffer distances to ensure specialised residential developments involving higher concentrations of people are not included within the pipeline measurement length;
- A new Requirement (R59) has been added to ensure the construction of DCP items in proximity to the gas pipeline implements design considerations to appropriately manage any pipeline safety risks.

Objectives O14 and Guideline G13 are standard VPA requirements in PSPs with high-pressure gas pipelines. R59 is a new requirement that has been created because of the DCP projects located in proximity to the pipeline.

The operator of the gas pipeline, Multinet Gas, has been engaged and confirmed acceptance of the wording and inclusion of the above requirements within the November 2021 PSP.

3.4 Further Negotiations and Other Changes

3.4.0 Requirement 32 Deletion

R32 in the exhibited PSP has been deleted. The requirement previously read as follows:

“All development must be in accordance with the incorporated Wonthaggi North East Native Vegetation Precinct Plan.”

The decision to remove the requirement is in response to ongoing discussions with Landgipps, a submitter to the amendment. The VPA and Bass Coast Shire agreed that the inclusion of the requirement was unnecessary, on the basis that Clause 52.17 ensures that the NVPP is incorporated into the planning scheme. The requirement was also considered to be misleading and potentially problematic for future planning permit applications as the NVPP still allows for an application for a planning permit to be submitted to remove vegetation that is shown as to be retained in the NVPP. Therefore, the ‘in accordance’ wording of the requirement could be interpreted in a way that was contrary to the NVPP’s function.

3.4.1 LP-12 Relocation

LP-12 (0.83ha local park) was redistributed from PSP Property 65, with LP-12 now consisting of a 0.34ha park in PSP Property ID 66-R, and with LP-13 on PSP Property 64-R increasing from 0.51ha to 1ha (extending further north). This change was made in response to a planning permit for subdivision that is approved on Property 65 which did not include a local park. This was raised by submitter 31 (submission was located late and circulated as part of re-notification on November 2021). Therefore, in order to ensure there was no net loss of open space in the area, the area of the park was redistributed across adjoining properties to preserve the walkable catchment of local parks within the PSP. The changes are reflected in the November 2021 PSP, excerpted and compared with the exhibited version identified in Figure 12. The change also results to amendments to the Land Use Budget for PSP Properties 64-R, 65 and 66-R.

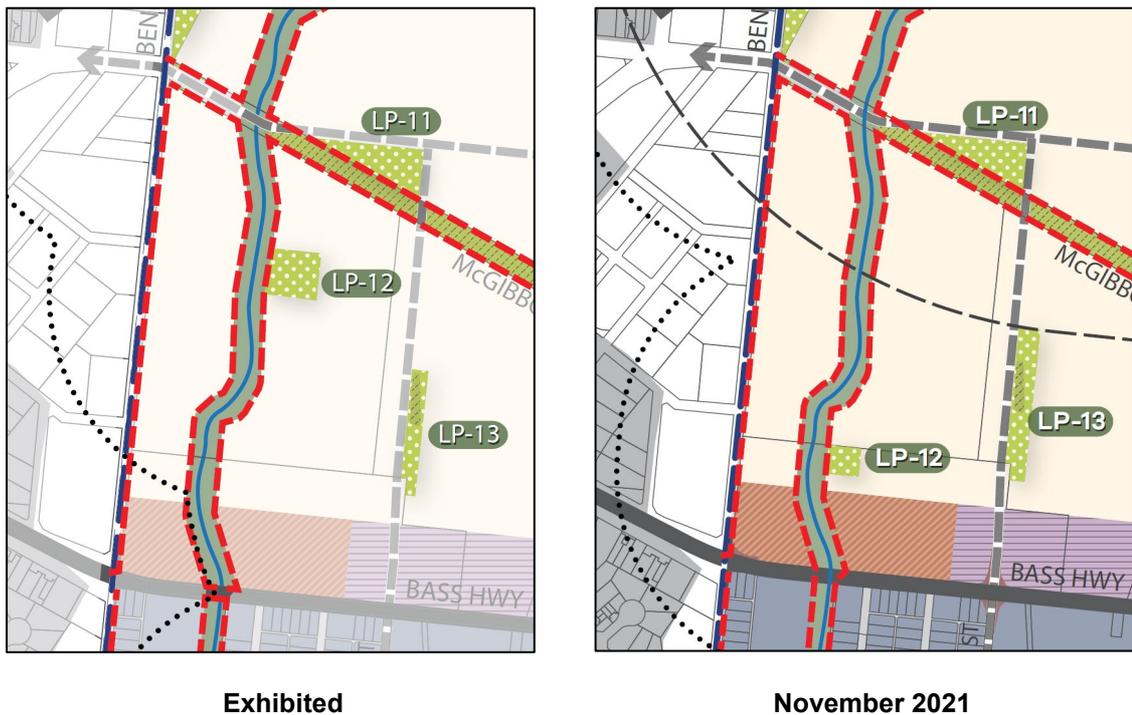


Figure 12 - LP-12 Redistribution

3.4.2 PSP Boundary Amendment

The PSP Boundary has been slightly amended to exclude PSP Property ID 67, which was mistakenly included within the boundary of the PSP. Property 67 was a small slither of land that formed part of a larger property to the south of the precinct (see Figure 13). In order to maintain continuity between the exhibited and November

2021 versions of the PSP and DCP, the numbering of all succeeding PSP properties have not changed. The property has been removed from the Land Use Budget table, and the boundary change is reflected in all PSP and DCP plans.

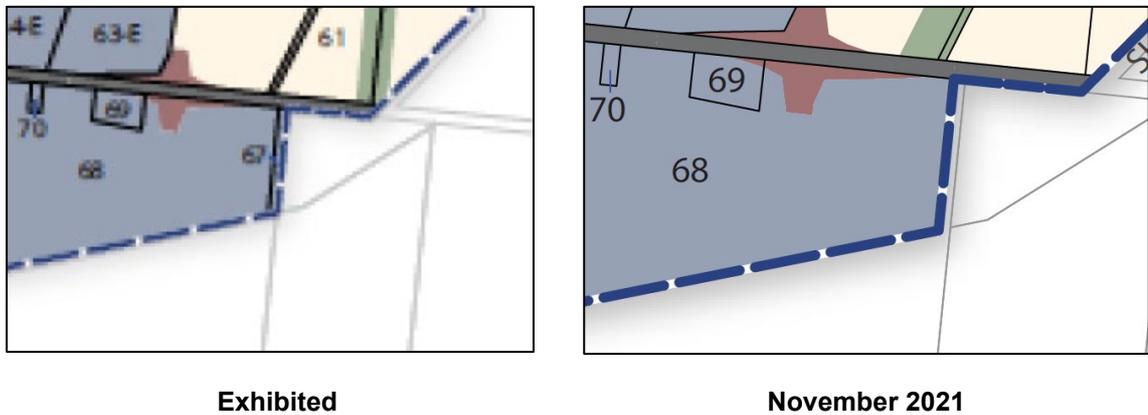


Figure 13 - PSP Boundary Amendment

3.4.3 McGibbons Road Interface Concept Plan

The McGibbons Road Interface Concept Plan has been updated to show the correct street typologies to ensure it is consistent with the PSP Road Network Plan. The previous plan incorrectly showed the typologies of certain roads. The updated plan is shown in Figure 14.



Figure 14 - McGibbons Road Interface Concept Plan

3.4.4 Removal of Indicative Booster Pump Station Location

In response to the relocation of LP-05 as discussed in Section 3.0.7, South Gippsland Water were consulted regarding the location of a booster pump station shown in the same location as LP-05 in the exhibited version of the Utilities Plan. South Gippsland Water advised that the booster pump station was no longer needed in that location as they had plans to co-locate a booster pump station at their existing facility, and therefore recommended that the asset be removed from the PSP.

Plan 12 – Utilities has subsequently been amended in the November 2021 PSP to remove reference to the previously proposed booster pump station. This change is shown in Figure 15.

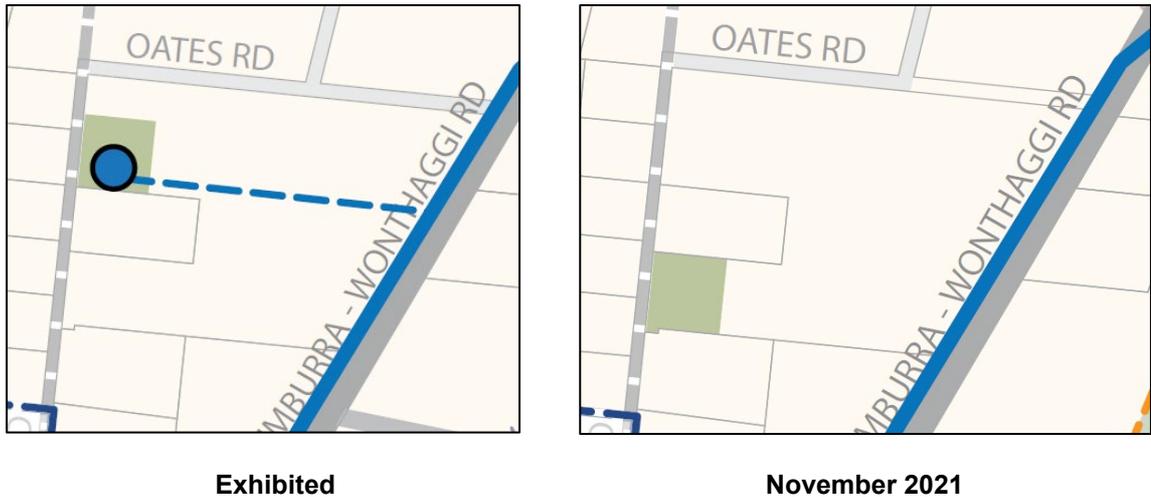


Figure 15 - Utility Plan Comparison

3.4.5 Land Use Budget Plan Inset

On the exhibited version of the Land Use Budget Plan, it was difficult to discern the PSP Property ID numbering of properties 73-109. As a result, an inset has been added to the plan which shows the numbering of the properties clearly. An excerpt of the revised plan in the November 2021 PSP is shown at Figure 16.

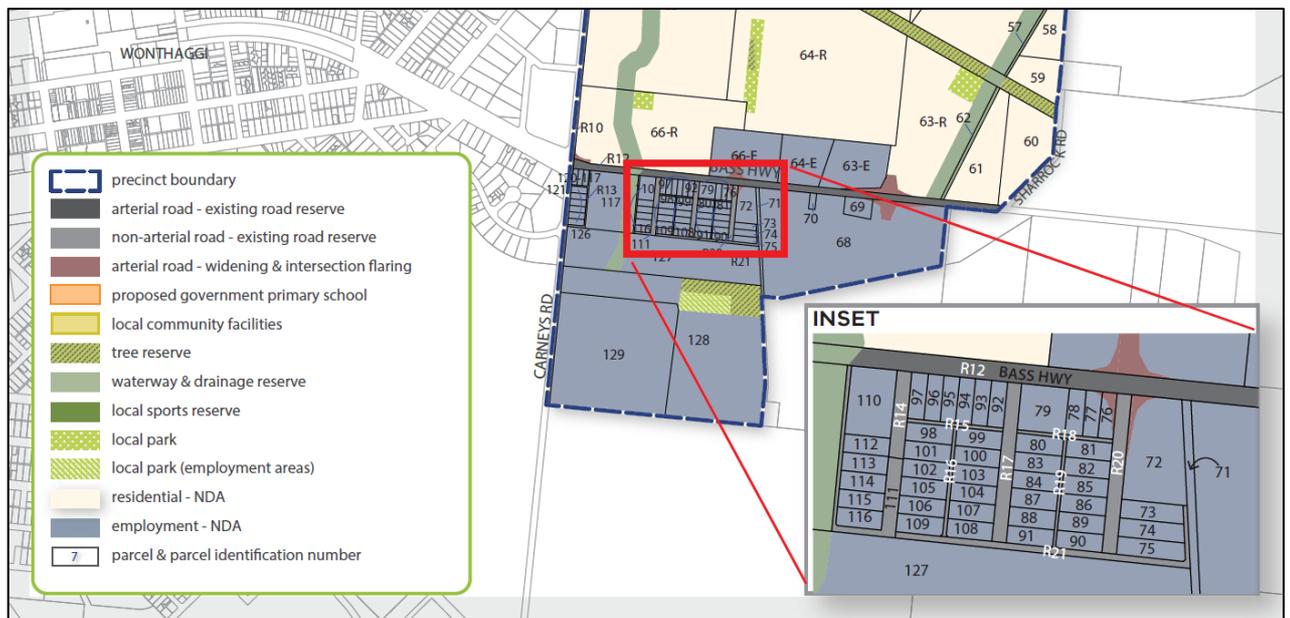


Figure 16 - Land Use Budget Plan Excerpt

3.4.6 Landscaping Requirements and Guidelines Amendments

Several requirements and guidelines within the November 2021 PSP that relate to tree planting within road reserves or open space have been amended to include references to PSP Plan 8 (Bushfire) to ensure new landscaping does not extend BAL12.5 setback areas:

- **Requirement 1** – Amended to include wording that specifies street tree planting will not be required where located within an identified bushfire hazard setback area in Plan 8 of the PSP.
- **Guideline 37** – Amended to include wording that specifies that revegetation of areas should not result in exceedance of identified bushfire hazard setbacks identified in Plan 8 of the PSP.
- **Requirement 62** – Amended to include wording that specifies tree planting and landscaping will not be required where located within an identified bushfire hazard setback area in Plan 8 of the PSP.
- **Requirement 63** – Amended to include wording that planting of trees and shrubs in local neighbourhood parks is not required where located within an identified bushfire hazard setback area in Plan 8 of the PSP.

3.4.7 Cultural Heritage Management Plan Amendments

PSP Plan 6 – Cultural Heritage has been added to the November 2021 PSP as the cultural heritage layers previously identified in Plan 2 – Precinct Features were considered to be unclear given the extent of information included in the plan. As such, the cultural heritage layers were included in their own plan (Plan 6).

The areas of Aboriginal Cultural Heritage Sensitivity in Plan 6 reflect the latest Aboriginal Cultural Heritage Register and Information System (ACHRIS) Mapping. A note has been added to Plan 6 to specify that the Aboriginal Cultural Heritage Sensitivity layer is based of the ACHRIS mapping as of August 2021, given that ACHRIS mapping is regularly updated and the map within the November 2021 PSP may become outdated in the future.

3.4.8 Property ID 51 Land Use Budget Change

The Land Use Budget in the November 2021 PSP has reclassified PSP Property ID 51 to crown land. It is noted that PSP Property ID 51 previously formed part of LP-07 and LP-08, therefore the nominated size of these parks in the November 2021 PSP has reduced slightly. PSP Properties 50 and 52 are subject to an approved development plan, which reflects the location of parks as shown in the PSP. In the case of LP-07, the approved Development Plan acknowledges the existence of the crown land through the park. An excerpt of the exhibited and Future Urban Structure showing this change is identified in Figure 17.



Exhibited

November 2021

Figure 17 - Excerpt of FUS Plans showing change in categorisation of PSP Property 51

3.4.9 Shared Paths Adjoining Waterways

PSP Plan 10 was updated to clearly depict shared paths on both sides of the western north-south waterway. This change was made to ensure Plan 10 gave clear guidance on the expectation for provision of shared paths adjoining waterways that was consistent with Cross Section 14 and Requirement 46. An excerpt of the exhibited and current versions of Plan 10 showing this change is identified in Figure 18.

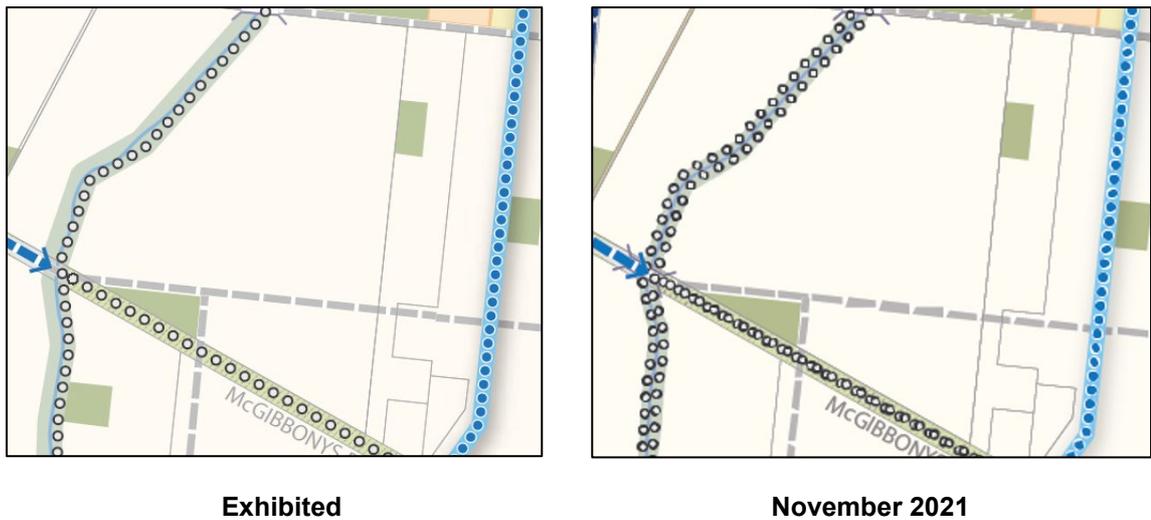


Figure 18 - Excerpt from Plan 20 Public Transport and Path Network

3.4.10 Cross Section 13

The exhibited version of Cross Section 13 incorrectly identified Cross Section 13 (McGibbonys Road Shared Trail) as having a total width of 16m, including tree reserve areas. This has been amended to 40m, correctly depicting the width of the trail.

3.4.11 PSP Tables 2, 5, 6 and 7

The exhibited versions of PSP Tables 2, 5, 6 and 7 either had minor formatting errors or contained information that was outdated as a result of revisions to the DCP. The tables have been corrected to ensure consistency with the November 2021 DCP and ensure all information is displayed correctly.

3.4.12 Drainage Conclave Recommendation on Rainwater Tanks

The Wonthaggi Drainage Conclave Statement prepared as part of Tranche 1 of the SAC hearing made the following recommendation in relation to rainwater tanks:

All experts agree that the use of lot scale rainwater tanks to achieve stormwater quality benefits is appropriate, provided they are plumbed to internal reuses such as toilet flushing. The use of rainwater tanks for stormwater quality treatment should be referenced in plan 9 integrated water management and utilities of the PSP.

The VPA formed the position that this recommendation was better accommodated through an amendment to Guideline 62 as follows:

Development should demonstrate a reduced reliance on potable water through the use of alternative design features that increases the utilisation of fit-for-purpose alternative water sources such as storm water, rain water and recycled water. In particular, the use of lot-scale rainwater tanks plumbed to internal reuses such as toilet features is encouraged for stormwater quality treatment.

3.4.13 Requirement 65 Updates

Requirement 65, pertaining to the public open space contribution required by Clause 53.01 of the Bass Coast Planning Scheme, has been updated to reflect the revised contribution rates as a result of the updated net developable area of the precinct.

4 DCP CHANGES

4.0 Tranche 1 Closing Submission and Interim Report Changes

As the DCP was deferred as a matter of discussion until Tranche 2, no changes to the DCP were identified in the VPA and Council’s closing submission to the Tranche 1 hearing.

4.1 Changes made following revised drainage work

The exhibited DCP included total drainage costs (land and construction) of \$53,377,194, the 2021 DCP includes total drainage costs (land and construction) of \$127,062,433. Key reasons for the increased costs are:

- Increased size of some assets due to updated design standards, notably wetland 1
- Improved performance of waterways, wetlands and sediment basins through the functional design process
- Inclusion of more robust contingency costs, per VPA standards
- Inclusion of main outfall channel infrastructure, including 3 crossings

Table 3 identifies the changes made in relation to drainage projects from the exhibited DCP to the November 2021 DCP.

Table 3 DCP drainage project comparison from exhibition to November 2021 DCP

Item (2020 DCP)	Description per 2020 DCP	Change in Engeny 2021 update (if relevant)	Further change in Alluvium functional design work (if relevant)	Implication for November 2021 DCP
Culvert projects				
CU-01	Industrial Boulevard Crossing (Location 16-17) Construction cost: \$219,095.67	Not included in updated strategy. Council advised that culvert is existing.	Assume existing, per Engeny 2021 update. Alluvium has identified this asset as critical to the drainage strategy.	Updated construction cost (2021\$): \$239,624. Drainage item carries over to the November 2021 DCP. Since this item is referenced in the 35 Carneys Road S173 Agreement, the cost from the S173 Agreement is carried over. In this instance, the cost listed in the S173 Agreement is \$215,000 which aligns with the Engeny cost estimate. Therefore, the cost of this item will be reflected in the updated DCP as \$215,000, indexed from 2015/2016 base cost (as advised by Engeny).
CU-02	Culvert at Bass Coast Highway (west) (Location 18-19)	No change.	No change.	Updated construction cost (2021\$): \$284,206. Drainage item carries over to the November 2021 DCP. This item is not referenced in any S173 Agreements, therefore the cost carries over from Engeny’s strategy and indexed

	Construction cost: \$259,857.65			from 2015/2016 base cost (as advised by Engeny).
CU-03	Culvert at Bass Coast Highway (east) (Location 2-3) Construction cost: \$259,857.65	Not included in updated strategy. Council advised that culvert is existing.	Assume that omission was an error and no change as critical to E-WW. Alluvium has identified this asset as critical to the drainage strategy.	Updated construction cost (2021\$): \$284,206. Drainage item carries over to the November 2021 DCP. This item is referenced in the Klun S173 Agreement, however has been delivered by council. The cost carries over from Engeny's strategy and indexed from 2015/2016 base cost (as advised by Engeny).
CU-04	Culvert at McGibbonys Road (Location 21-22) Construction cost: \$503,410.51	No change.	Not included in Alluvium functional designs. Council advised that culvert is existing.	Updated construction cost (2021\$): \$206,067. Drainage item carries over to the November 2021 DCP. Since this item is referenced in the Klun S173 Agreement and Powlett Ridge S173 Agreement, the cost from the S173 Agreements is carried over. In this instance, the cost listed in the S173 Agreement is \$150,000 which aligns with the 2010 DCP cost estimate. Therefore, the cost of this item will be included in the updated DCP as \$150,000, indexed from 2009/2010 base cost (per 2010 DCP).
CU-05	Culvert at Minor Road (Location 23-23A) Construction cost: \$503,410.51	No change.	No change.	Updated construction cost (2021\$): \$717,650. Drainage item carries over to the November 2021 DCP. This item is referenced in the Parklands S173 Agreement but has not been constructed. Therefore, the cost from Alluvium's strategy will be adopted and indexed from 2019/2020 base cost (as advised by Alluvium).
CU-06	Culvert at Minor Road (Location 23B-23C) Construction cost: \$503,410.51	No change.	No change.	Updated construction cost (2021\$): \$717,650. Drainage item carries over to the November 2021 DCP. This item is not referenced in any S173 Agreements and has not been constructed. Therefore, the cost from Alluvium's

				strategy will be adopted and indexed from 2019/2020 base cost (as advised by Alluvium).
CU-07	<p>Culvert at Boulevard connector (Location 24)</p> <p>Construction cost: \$503,410.51</p>	No change.	No change.	<p>Updated construction cost (2021\$): \$717,650.</p> <p>Drainage item carries over to the November 2021 DCP. This item is not referenced in any S173 Agreements and has not been constructed. Therefore, the cost from Alluvium's strategy will be adopted and indexed from 2019/2020 base cost (as advised by Alluvium).</p>
CU-08	<p>Culvert at Korumburra-Wonthaggi road embankment (Location 12-13)</p> <p>Construction cost: \$912,049.40</p>	No change.	No change in location, however contingency costs added to account for gas (\$50,000) and water (\$30,000) main crossing.	<p>Updated construction cost (2021\$): \$1,086,699.</p> <p>Drainage item carries over to the November 2021 DCP. This item is not referenced in any S173 Agreements and has not been constructed. Therefore, the cost from Alluvium's strategy will be adopted and indexed from 2019/2020 base cost (as advised by Alluvium). Additional costs have been factored in by Alluvium to account for the crossing of the gas and water mains.</p>
CU-09	<p>Culvert at Heslops Road downstream of WL-2 (Location 37-38)</p> <p>Construction cost: \$136,552.65</p>	Not included in updated strategy. Council advised that culvert is existing.	Assume existing, per Engeny 2021 update.	<p>Updated construction cost (2021\$): \$149,347.</p> <p>Drainage item carries over to the updated DCP. Alluvium has identified this asset as critical to the drainage strategy. This item is not referenced in any S173 Agreements but has been delivered by council, therefore the cost carries over from Engeny's strategy and indexed from 2015/2016 base cost (as advised by Engeny).</p>
CU-010 (CU-10 in 2021 DCP)	<p>Culvert at Heslops Road downstream of WL-3 (Location 41-42)</p> <p>Construction cost: \$434,115.14</p>	Omitted from Engeny 2021 updated Drainage Strategy.	Assume that omission was an error and no change as critical to WLRB3 outfall to Heslop Road. Alluvium have estimated \$30,000 additional contingency cost for crossing of water main.	<p>Updated construction cost (2021\$): \$508,227.</p> <p>Drainage item carries over to the November 2021 DCP. This item is not referenced in any S173 Agreements, therefore the cost carries over from Engeny's strategy and indexed from 2015/2016 base cost (as advised by Engeny).</p>

CU-011 (CU-11 in 2021 DCP)	Culvert at Heslops Road downstream of WL-4 (Location 49-50) Construction cost: \$157,952.69	Omitted from Engeny 2021 updated Drainage Strategy.	Does not form part of functional designs.	Removed from PSP as Alluvium has not identified this asset as part of the functional drainage layout.
CU-012 (CU-12 in 2021 DCP)	Culvert at Heslops Road downstream of SB12 (Location 45-46) Construction cost: \$129,419.30	Omitted from Engeny 2021 updated Drainage Strategy.	Assume that omission was an error and no change. Alluvium have estimated \$30,000 additional contingency cost for crossing of water main.	Updated construction cost (2021\$): \$174,982. Drainage item carries over to the November 2021 DCP. This item is not referenced in any S173 Agreements, therefore the cost carries over from Engeny's strategy and indexed from 2015/2016 base cost (as advised by Engeny).
New culvert proposed (Alluvium ID CU2) – CU-13 in 2021 DCP	Not included in 2020 PSP and DCP.	Not included in 2020 PSP and DCP.	New culvert proposed.	Updated construction cost (2021\$): \$284,206 New drainage item added to the November 2021 DCP. Alluvium have advised that CU-02 and CU-03 are comparable items, therefore have adopted the same cost for CU-13. This cost has been carried over from Engeny's strategy and indexed from 2015/2016 base cost (as advised by Engeny).
CU-14 (new culvert over main outfall channel)	Not included in 2020 PSP and DCP.	Not included in 2020 PSP and DCP.	New culvert proposed	Construction cost (2021\$): \$225,967.2025,967 Crossing point over Main Outfall Channel (DR-03). DR-03 designed and costed by Alluvium, CU-14 designed and costed by Cardno.
CU-15 (new culvert over main outfall channel)	Not included in 2020 PSP and DCP.	Not included in 2020 PSP and DCP.	New culvert proposed	Construction cost (2021\$): \$114,002.06 Crossing point over Main Outfall Channel (DR-03). DR-03 designed and costed by Alluvium, CU-15 designed and costed by Cardno.
CU-16 (new culvert over main outfall channel)	Not included in 2020 PSP and DCP.	Not included in 2020 PSP and DCP.	New culvert proposed	Construction cost (2021\$): \$55,554,323.20 Crossing point over Main Outfall Channel (DR-03). DR-

outfall channel)				03 designed and costed by Alluvium, CU-16 designed and costed by Cardno.
Drainage projects				
WL-01	Wetland 1 Land area: 5.42 ha Construction cost: \$3,504,511.62	Size of RB-01 increased to 18 ha as a result of conclave point 15. Configuration of WL-01 and RB-01 amended to account for transmission pipeline measurement length.	Alluvium have further refined this asset and split the wetland to better manage flows. New total area for WL1 is 28.88ha.	Updated construction cost (2021\$): \$38,150,598 Drainage item carries over to the November 2021 DCP, as WL-01. Retarding basin and sediment basin are integrated into wetland design. For simplicity, the integrated asset will be identified as WL-01. The cost of the new WL-01 is adopted from Alluvium's functional design work, indexed from 2019/2020 base cost (as advised by Alluvium).
RB-01	Retarding Basin for Wetland 1 Land area: 13.12 ha Construction cost: \$4,410,446.72			
WL-02	Wetland 2 Land area: 1.73 ha Construction cost: \$1,036,373.46	No significant change to WL-02.	Alluvium have further refined this asset to ensure performance of the treatment system complies with appropriate guidelines. This asset now serves a treatment and retarding function.	Updated construction cost (2021\$): \$2,339,497. Drainage item carries over to the November 2021 DCP, as WL-02. The cost of the new WL-02 is adopted from Alluvium's functional design work, indexed from 2019/2020 base cost (as advised by Alluvium).
WL-03	Wetland 3 Land area: 2.75 ha Construction cost: \$1,971,861.00	No significant change to WL-03.	Alluvium have further refined this asset to ensure performance of the treatment system complies with appropriate guidelines.	Updated construction cost (2021\$): \$2,194,829. Drainage item carries over to the November 2021 DCP, as WL-03. The cost of the new WL-03 is adopted from Alluvium's functional design work, indexed from 2019/2020 base cost (as advised by Alluvium).
WL-04	Wetland 4 Land area: 1.70 ha Construction cost: \$1,426,669.46	No significant change to WL-03.	Alluvium have further refined this asset to ensure performance of the treatment system complies with appropriate guidelines.	Updated construction cost (2021\$): \$7,874,043. Drainage item carries over to the November 2021 DCP, as WL-04. The cost of the new WL-014is adopted from Alluvium's functional design work, indexed

				from 2019/2020 base cost (as advised by Alluvium).
DR-01	<p>Western Waterway</p> <p>Land area: 6.55 ha</p> <p>Construction cost: \$6,699,232.15</p>	No significant change to DR-01.	Alluvium have further refined this asset to improve performance and ensure long term increase in the ecological value of the waterway.	<p>Updated construction cost (2021\$): \$16,615,357.</p> <p>Drainage item carries over to the November 2021 DCP, as DR-01.</p> <p>The cost of the new DR-01 is adopted from Alluvium's functional design work, indexed from 2019/2020 base cost (as advised by Alluvium).</p>
DR-02	<p>Eastern Waterway</p> <p>Land area: 14.31 ha</p> <p>Construction cost: \$10,001,971.95</p>	No significant change to DR-02.	Alluvium have further refined this asset to improve performance and ensure long term increase in the ecological value of the waterway. Further, the 90 degree bend has been removed to prevent asset failure.	<p>Updated construction cost (2021\$): \$23,088,996.</p> <p>Drainage item carries over to the November 2021 DCP, as DR-02.</p> <p>The cost of the new DR-02 is adopted from Alluvium's functional design work, indexed from 2019/2020 base cost (as advised by Alluvium).</p>
PIPE	<p>Drainage pipe assets</p> <p>Construction cost: \$4,541,904.12</p>	No significant changes to drainage pipe assets.	Out of scope for Alluvium. Assume pipe assets remain as per 2020 DCP.	<p>Updated construction cost (2021\$): \$4,694,297.</p> <p>Drainage item carries over to the November 2021 DCP.</p> <p>The cost of the new PIPE items carries from Engeny's drainage strategy, indexed from 2015/2016 base cost (as advised by Engeny).</p>
SD	<p>Sediment basins</p> <p>Land area: 0 ha</p> <p>Construction cost: \$2,322,414.07</p>	<p>Changes to SB labels for 2 sediment basins (i.e. SB2 in 2020 strategy relabelled as SB1; SB8 on eastern waterway in 2020 strategy relabelled as SB2).</p> <p>SB13 from 2020 strategy omitted from 2021 update.</p>	Alluvium have consolidated sediment basin assets and are proposing a total of five (5) independent sediment basin assets.	<p>Updated total construction cost (2021\$): \$5,553,346.</p> <p>Total land take for all SBs: 3.02ha</p> <p>Land take for five (5) proposed sediment basins to be reflected in the PSP.</p> <p>Sediment basins were previously not labelled. Each of the five SBs have been given a numerical ID.</p> <p>The cost of the new sediment basins are adopted from Alluvium's functional design work, indexed from 2019/2020 base cost (as advised by Alluvium).</p>

<p>New item (DR-03 in 2021 DCP)</p>	<p>N/A</p>	<p>Engeny undertook concept designs for the outfall channel between the precinct and Powlett River.</p>	<p>Alluvium have refined Engeny’s concept and produced functional designs and costings for the outfall channel, up to the point where Engeny had investigated.</p> <p>Alluvium have advised that further work needs to be done to resolve the remaining connection to the Powlett River (See section 2.1 of this Report).</p>	<p>Updated construction cost (2021\$): \$3,749,411.77</p> <p>Land area not included in DCP as this will be acquired by council via an agreement with the landowner.</p> <p>The cost of the new drainage channel is adopted from Alluvium’s functional design work, indexed from 2019/2020 base cost (as advised by Alluvium).</p>
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4.1.0 Land take and cost of sediment basins

Prior to the Tranche 1 hearing, a conclave of drainage experts issued a statement of agreed opinions providing direction on unresolved drainage-related issues. The following point was raised (conclave point 11):

All experts agree that the sedimentation basins require a drainage reserve adjacent to the waterways and that this should be included in the PSP land take.

Following the functional design work (Alluvium, 2021), five (5) sediment basins were designed and costed by Alluvium to service the precinct. The land take for these sediment basins have been included as drainage land in the DCP.

Subsequently, the cost of sediment basins has been amended to reflect the most recent functional designs. The 2020 DCP included the cost of all sediment basins as one line item, however the 2021 DCP will list each of the five sediment basins independently.

4.2 Changes made following revised transport work

In the process of investigating a response to the gas and water pipelines, VPA in consultation with Stantec (previously GTA) Consulting agreed that previous transport costing estimates have not sufficiently considered relocation and/or protection of other utilities such as telecommunications and electricity infrastructure. The VPA engaged Stantec to the undertake further investigations into the utility services requirements at each intersection and update the Transport Impact Assessment to account for:

- Transmission pressure gas pipeline owned by Multinet Gas
- High pressure gas pipeline owned by Multinet Gas
- Desalination pipe owned by South Gippsland Water
- Distribution Water Main owned by South Gippsland Water
- Telecommunications assets owned by Telstra and NBN.

It is noted that Stantec also liaised with Multinet Gas to confirm that the concept layout of IN-03 did not impact the transmission pressure gas pipeline and therefore did not require amendment.

The table below is extracted from Stantec’s report and outlines the services that impact each proposed intersection. IN-07 has not been included as construction has been completed as works-in-kind through an existing Section 173 Agreement.

Table 6.1: Services Located at Each Intersection

Intersection No.	Intersection Name	Electricity	Gas	Water	Telstra	NBN
IN-01	Heslop Road / Fuller Road	✓	-	✓	✓	-
IN-02	Heslop Road / St Clair Boulevard	✓	-	✓	-	-
IN-03	Korumburra Road / Heslop Road	-	✓	✓	✓	-
IN-04	Korumburra Road / St Clair Boulevard	-	✓	✓	✓	-
IN-05	Bass Highway / Carneys Road	✓	✓	✓	✓	✓
IN-06	Bass Highway / St Clair Boulevard	✓	-	✓	✓	✓
IN-08	Bass Highway / John Street	✓	-	✓	✓	✓

The cost base for all transport infrastructure items were also indexed to 2021 dollars.

The above additional considerations have resulted in an increase in transport infrastructure construction costs from \$18,161,000 (2020 Exhibited DCP) to \$29,064,328 (2021 DCP).

Item (2020 DCP)	Description per 2020 DCP	Description per 2021 DCP	Rationale for change	Implication for November 2021 DCP
Road projects				
RD-01	Heslop Road (Fuller Road to Korumburra-Wonthaggi Road) 2400m Land area: 0.00ha Construction cost: \$3,277,000.00 (2020\$)	Heslop Road (Fuller Road to Korumburra-Wonthaggi Road) 2400m Land area: 0.00ha Construction cost: \$4,421,711.18 (2021\$)	Cost increase due to VPA standard contingencies.	Transport item carries over to the November 2021 DCP.
New transport item (RD-02 in 2021 DCP)	Not included in 2020 DCP.	RD-02 McGibbonys Road 245m Land area: 0.00ha Construction cost: \$1,063,959.92 (2021\$)	The existing McGibbonys Road carriageway between Korumburra Road and the PSP Area is not constructed to a suitable standard to cater for the forecast PSP generated traffic demands. As such, the 245m section of McGibbonys Road, connecting Korumburra Road to the PSP Area, will need to be upgraded	New transport item added to the November 2021 DCP.

			to cater for the development of the PSP.	
Intersection projects				
IN-01	<p>Heslop Road and Fuller Road</p> <p>Land area: 0.00ha</p> <p>Construction cost: \$1,136,000.00 (2020\$)</p>	<p>Heslop Road and Fuller Road</p> <p>Land area: 0.00ha</p> <p>Construction cost: \$1,964,986.85 (2021\$)</p>	<p>Additional contingency costs include:</p> <p>\$25,000.00 – Telstra services relocation/ protection works</p> <p>\$30,000.00 – NBN services relocation/ protection works</p> <p>\$50,000.00 – water and sewer services relocation/ protection works</p>	<p>Transport item carries over to the November 2021 DCP.</p>
IN-02	<p>Heslop Road and St Clair Boulevard Connector Road</p> <p>Land area: 0.00ha</p> <p>Construction cost: \$1,310,000.00 (2020\$)</p>	<p>Heslop Road and St Clair Boulevard Connector Road</p> <p>Land area: 0.22ha</p> <p>Construction cost: \$1,934,559.98 (2021\$)</p>	<p>Omission of land area was an error in the 2020 DCP.</p> <p>Advice suggests that electrical pole and water main can be avoided by tweaking design at more detailed design stages, therefore additional contingency costs not included.</p>	<p>Transport item carries over to the November 2021 DCP.</p>
IN-03	<p>Heslop Road and Korumburra-Wonthaggi Road</p> <p>Land area: 0.00ha</p> <p>Construction cost: \$1,291,000.00 (2020\$)</p>	<p>Heslop Road and Korumburra-Wonthaggi Road</p> <p>Land area: 0.00ha</p> <p>Construction cost: \$2,683,453.57 (2021\$)</p>	<p>Additional contingency costs include:</p> <p>\$500,000.00 – Telstra services relocation/ protection works</p> <p>\$50,000.00 – NBN services relocation/ protection works</p> <p>\$80,000.00 – gas services relocation/ protection works</p> <p>\$50,000.00 – water and sewer services relocation/ protection works</p>	<p>Transport item carries over to the November 2021 DCP.</p>

<p>IN-04</p>	<p>Korumburra-Wonthaggi Road and St Clair Boulevard</p> <p>Land area: 0.22ha</p> <p>Construction cost: \$2,280,000.00 (2020\$)</p>	<p>Korumburra-Wonthaggi Road and St Clair Boulevard</p> <p>Land area: 0.22ha</p> <p>Construction cost: \$3,083,910.44 (2021\$)</p>	<p>Additional contingency costs include:</p> <p>\$450,000.00 – Telstra services relocation/ protection works</p> <p>\$50,000.00 – NBN services relocation/ protection works</p> <p>\$50,000.00 – gas services relocation/ protection works</p> <p>\$50,000.00 – water and sewer services relocation/ protection works</p>	<p>Transport item carries over to the November 2021 DCP.</p>
<p>IN-05</p>	<p>Bass Highway and Carneys Road</p> <p>Land area: 0.08ha</p> <p>Construction cost: \$2,686,000.00 (2020\$)</p>	<p>Bass Highway and Carneys Road</p> <p>Land area: 0.08ha</p> <p>Construction cost: \$3,583,500.00 (2021\$)</p>	<p>Additional contingency costs include:</p> <p>\$500,000.00 – Telstra services relocation/ protection works</p> <p>\$150,000.00 – NBN services relocation/ protection works</p> <p>\$100,000.00 – gas services relocation/ protection works</p> <p>\$100,000.00 – water and sewer services relocation/ protection works</p> <p>\$250,000.00 – electrical services relocation /protection works</p>	<p>Transport item carries over to the November 2021 DCP.</p>
<p>IN-06</p>	<p>Bass Highway and St Clair Boulevard</p> <p>Land area: 0.87ha</p> <p>Construction cost: \$2,750,000.00 (2020\$)</p>	<p>Bass Highway and St Clair Boulevard</p> <p>Land area: 0.87ha</p> <p>Construction cost: \$5,079,324.16 (2021\$)</p>	<p>Additional contingency costs include:</p> <p>\$500,000.00 – Telstra services relocation/ protection works</p> <p>\$50,000.00 – NBN services relocation/ protection works</p>	<p>Transport item carries over to the November 2021 DCP.</p>

			<p>\$100,000.00 – water and sewer services relocation/ protection works</p> <p>\$180,000.00 – electrical services relocation /protection works</p>	
IN-07	<p>McGibbonys Road and Korumburra-Wonthaggi Road</p> <p>Land area: 0.00ha</p> <p>Construction cost: \$1,701,000.00 (2020\$)</p>	<p>McGibbonys Road and Korumburra-Wonthaggi Road</p> <p>Land area: 0.00ha</p> <p>Construction cost: \$824,266.82 (2021\$)</p>	<p>Not investigated as this intersection has been constructed.</p>	<p>Transport item carries over to the November 2021 DCP.</p> <p>Cost has been adopted from the relevant Section 173 Agreement, and indexed to 2021 dollars.</p>
IN-08	<p>Bass Highway and John Street</p> <p>Land area: 0.08ha</p> <p>Construction cost: \$1,730,000.00 (2020\$)</p>	<p>Bass Highway and John Street</p> <p>Land area: 0.30ha</p> <p>Construction cost: \$2,459,668.86 (2021\$)</p>	<p>Additional contingency costs include:</p> <p>\$450,000.00 – Telstra services relocation/ protection works</p> <p>\$50,000.00 – NBN services relocation/ protection works</p> <p>\$50,000.00 – water and sewer services relocation/ protection works</p>	<p>Transport item carries over to the November 2021 DCP.</p>
New intersection project (IN-09 in 2021 DCP)	<p>Not included in 2020 DCP.</p>	<p>Korumburra-Wonthaggi and Connector Road</p> <p>Land area: 0.21</p> <p>Construction cost: \$1,964,986.85 (2021\$)</p>	<p>Costs to be confirmed following further work.</p>	<p>New transport item added to 2021 DCP.</p>

4.3 Changes made following DCP Options Report

Leading up to the tranche 1 SAC hearing in April 2021, the conclave of DCP experts agreed that:

- *The current draft DCP does not adequately resolve the complexity regarding the existing Section 173 Agreements, the status of each development and the relationship between the two mechanisms. There are eight (8) existing Section 173 Agreements that cover 142 net developable hectares and 8.17 net developable employment hectares;*

- *There will be a gap between the development contributions funds collected via the DCP and the total cost of the works referred to within it, and that the quantum of this gap (and how the gap is addressed) is a key consideration for the DCP; and*
- *The draft DCP does not quantify the funding or address how the gap will be met by Council or other funding sources.*

Mesh was engaged to assess the financial, equity, administrative and legal implications of four options and present this in the *DCP Options Report* (October 2021). The options Mesh considered are:

Option 1 – Echelon proposal

- Remove the land that is subject of existing S173 agreements from the DCP;
- redraft the DCP to reapportion the project costs across the balance of the PSP area; and
- recognise the development contributions contained within the S173 agreements as external apportionments towards the delivery of infrastructure within the PSP area.

Option 2 – HillPDA proposal

- Apply the default provisions of the P&E Act with respect to DCP liability and administration;
- enable deviations from the default provisions where both Council and landowner agree, via a voluntary legal agreement;
- exempt future development from paying DCP levies under the proposed 2020 DCP for infrastructure projects previously dealt with via executed legal agreements;
- add the above point in the list of exemptions in the proposed 2020 DCP; and
- review whether credits should be provided to landowners for infrastructure projects - drawn from the 2010 DCP but not listed in the proposed 2020 DCP - already delivered or agreed via a legal agreement.

Option 3 – Mesh proposal

- Apportion the funding gap associated with the development that has already taken place to Council in a transparent way within the DCP;
- amend or remove the existing S173 agreements (where they are retained use the agreements to focus on agreed works in kind (WIK) projects in accordance with the project scope and costs that are specified in the DCP (in cooperation with the affected landowners/developers); and
- review each of the issued planning permits to assess whether there are any consequential changes to permit conditions to reflect the approach that is described above and include standard conditions that implement the requirements of the PSP and the DCP (in co-operation with the affected landowners/developers).

Option 4 – VPA proposal

Remove the land that is subject of existing S173 agreements from the DCP and redraft the DCP to apportion contributions to land subject to the DCP and land subject to S173 agreements based on demand for infrastructure within the PSP area. Based on the Proposed DCP charges and project list, and the status of development within the Proposed DCP area, Mesh concluded that Option 2 is preferred due to the following reasons, noting that it will require changes and updates to existing S173 agreements and some planning permit conditions:

- Balanced approach with regard to funding responsibility.
- Landowners with existing S173 agreements not required to pay additional contributions on land where there is an approved permit.
- Additional contributions only apply to land not yet subject to an approved planning permit.
- Additional contribution amount is fixed.
- Preferred over option 3 due to ease of implementation, noting it will require changes and updates to some existing S173 agreements.

Minor changes are proposed in the November 2021 DCP to acknowledge Option 2 and the steps Council will take as the Collecting Agency to implement the DCP where existing S173 Agreements apply. These changes include adding the following statements within the DCP document:

- *Landowners with an executed Section 173 Agreement are not required to pay additional development contributions for the infrastructure items within that Agreement on land that has the benefit of an approved planning permit.*

- Despite the separate charge rates established by existing Section 173 Agreements, this DCP apportions the costs for all infrastructure items equally to the MCA, inclusive of parcels affected by a Section 173 Agreement.
- Council as the collecting agency and responsible authority is required to implement and administer the 2020 DCP along with the eight existing Section 173 Agreements. Where a funding gap exists in relation to existing Section 173 Agreements, Council is responsible for funding the gap or acting to reduce the gap.
- The DCP assumes all affected parties honour the existing Section 173 Agreements on land that has the benefit of a permit. Where an existing section 173 agreement applies to land that does not have the benefit of a permit, any permit issued will include a condition that the existing section 173 agreement be ended as it pertains to the new permit land and that a new section 173 agreement be entered into in accordance with the DCP.

4.3.0 Additional information on status of existing Section 173 Agreements

The exhibited DCP contained a table in Appendix A, which listed the projects funded or partially funded by existing Section 173 Agreements. In addition to this table, an second table has been included that outlines the Section 173 Dealing number and permit status of each Section 173 Agreement. The additional Table will be a useful reference for land owners when considering potential implications of Option 2 (as outlined in Section 4.3 of this report).

4.4 Changes made following SMS

4.4.0 Plan Amendments

Per the explanation in Section 3.3.0, the footprint of Wetland 1 has been amended in response to the SMS. Similar updates have been applied to plans within the DCP where relevant.

4.4.1 Crossing of the gas and water mains

At the SMS workshop, it was agreed that VPA would be required to undertake more detailed investigations to develop the proposed culvert crossing of the gas main. It was agreed that service proving should be undertaken, as well as AHD datum surveys as required. Although consideration of the desalination pipeline did not form part of the scope of the SMS, the VPA deemed it appropriate to take a similar approach with the desalination pipeline (i.e. service proving and AHD datum survey).

The VPA commissioned Engeny to undertake the necessary service proving, surveys and consultation with utility providers to develop the culvert concept designs proposed in the 2019 strategy (refer Figure 19) to safely cross the gas and water mains.

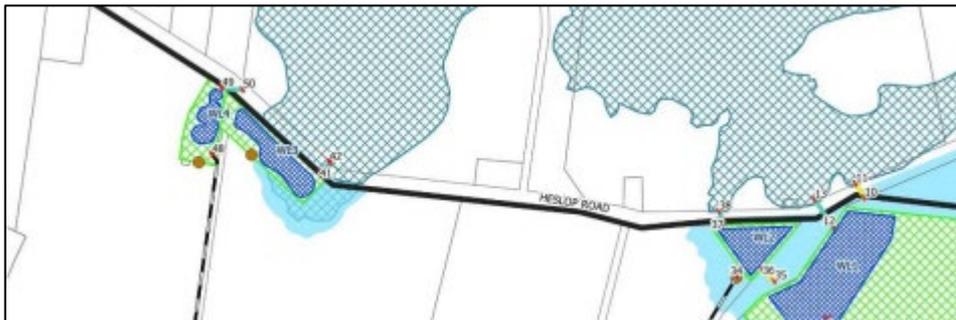


Figure 19 Proposed culvert crossings of the gas and water mains in 2019 Engeny Drainage Strategy

Consequently, Engeny included the revised approach to crossing the gas and water mains in their revised 2021 Drainage Strategy. The 2021 Drainage Strategy refined the design approach to crossing the gas and water mains at WL-01 and WL-02. Alluvium adopted the proposed approach on the basis that it has been investigated adequately. Alluvium have included the relevant contingency costs in for CU-08, CU-10 and CU-12 (refer to table in Section 4.1).

4.5 Further Negotiations and Other Changes

4.5.0 Land Use Budget change from boundary amendment

As mentioned in Section 3.5.3 of this report, the PSP Boundary has been amended to exclude PSP property ID 67, as it was mistakenly included within the PSP Boundary. PSP Property 67 was included in the land use budget within the DCP and has therefore been removed to reflect its exclusion from the PSP area.

4.5.1 Property ID 51 Land Use Budget Change

As discussed in Section 3.5.9 of this report, the Land Use Budget in the November 2021 PSP has reclassified PSP Property ID 51 to crown land. It is noted that PSP Property ID 51 previously formed part of LP-07 and LP-08, therefore the nominated size of these parks in the November 2021 PSP has reduced slightly.

4.5.2 Community Infrastructure Levy

The Community Infrastructure Levy (CIL) cap has increased from \$1116.50 per dwelling to \$1225 per dwelling from 1 July 2021. The estimated dwellings of the PSP has decreased from 5,006 to 4,800. This results in the overall CIL decreasing from \$5,588,805 to \$5,659,042 for the DCP.

4.5.3 Removal of land for future government school from DCP

Item "PS-01 – Land for a proposed Government school" has been removed from the DCP at the request of Council. This was supported by the Department of Education and Training.

4.5.4 Indexation Changes

Each infrastructure project has been assigned a land and/or construction cost. Costs are expressed in 2021 dollars and will be adjusted annually in accordance with the method specified in Section 4.6 of the DCP.

Road construction costs have been determined by Stantec Consultants (previously GTA) Consultants (refer to Appendix C for road cost sheets) in 2021, using a 2020/2021 cost base.

Intersection construction costs (excepting IN-07) have been determined by Stantec Consultants (previously GTA) (refer to Appendix C for intersection cost sheets) in 2021, using a 2020/2021 cost base.

The cost of IN-07 has been adopted from existing Section 173 Agreements, as this has been delivered as works-in-kind.

Community facilities costs have been determined by Bass Coast Shire and VPA (refer to Appendix C of the DCP for community facilities cost sheets) in 2020, using a 2020/2021 cost base.

Active recreation project costs have been determined by Bass Coast Shire Council and VPA (refer to Appendix C for open space cost sheets) in 2020, using a 2020/2021 cost base.

Integrated water management costs for wetlands, waterways, sedimentation basins and some culverts (CU-05, CU-06 and CU-07) have been determined by Alluvium (refer Appendix C for integrated water management and drainage costs) in 2021, using a 2019/2020 cost base.

Integrated water management costs for drainage pipes and some culverts (CU-01, CU-02, CU-03, CU-08, CU-09, CU-10 and CU-12) have been determined by Engeny (refer Appendix C for integrated water management and drainage costs) in 2019 and adopted by Alluvium, using a 2015/2016 cost base.

The cost of CU-04 has been adopted from existing Section 173 Agreements, as this has been delivered as works-in-kind.

All infrastructure projects in the November 2021 DCP have been indexed in accordance with the method specified in Section 4.5 of the DCP to 2021 dollars.

4.5.5 Changes in relation to contingency of some drainage projects

Alluvium was engaged by the VPA to progress Engeny's suite of stormwater drainage work from concept level with associated cost estimates to a functional design stage, for the wetland, waterway and sedimentation basin infrastructure. This work identifies the required infrastructure, land take, capital investment costs, maintenance requirements and associated costs for the DCP.

Drainage projects which have been estimated at the functional design level have been apportioned as 80% to the DCP with the remaining 20% attributed to Council. The 20% attribution to Council is reflective of, and similar to, the contingency amounts identified by Alluvium. Council, as at the date of re-notification, has not accepted the attribution. The VPA will undertake further work to review the DCP infrastructure items and apportionment to Council.

5 NVPP CHANGES

5.0 Tranche 1 Closing Submission and Interim Report Changes

5.0.0 Improved Quality of Maps

The maps within the NVPP have been exported at a higher quality in order to improve their readability. This change was made at the request of DELWP Environment.

5.0.1 Habitat Zone Code and Scattered Tree Numbering

The maps within the NVPP have been updated to display the corresponding habitat zone code of vegetation patches and the numbering of scattered trees. This change was made at the request of DELWP Environment.

5.0.2 Conflict of Retained Vegetation with DCP Projects

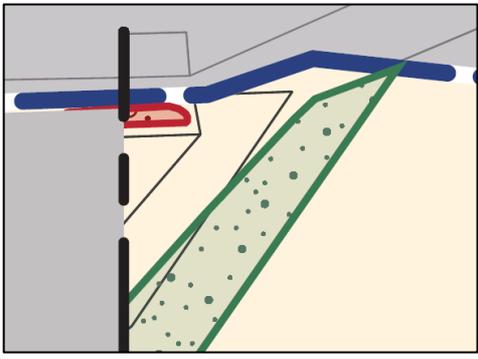
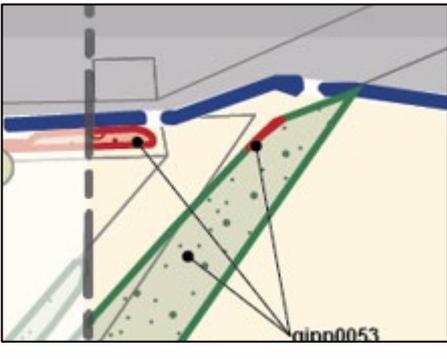
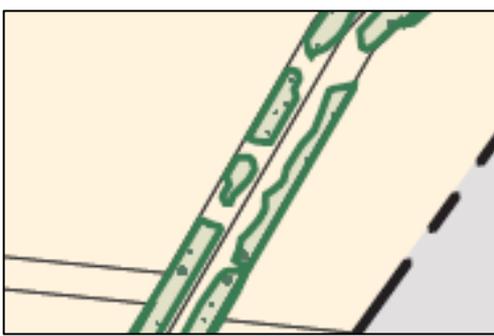
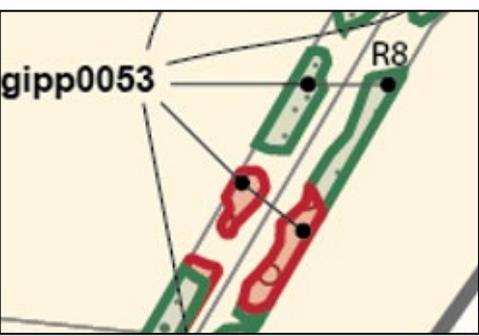
Part 3.1.5 of the VPA and Council's closing submission states the following:

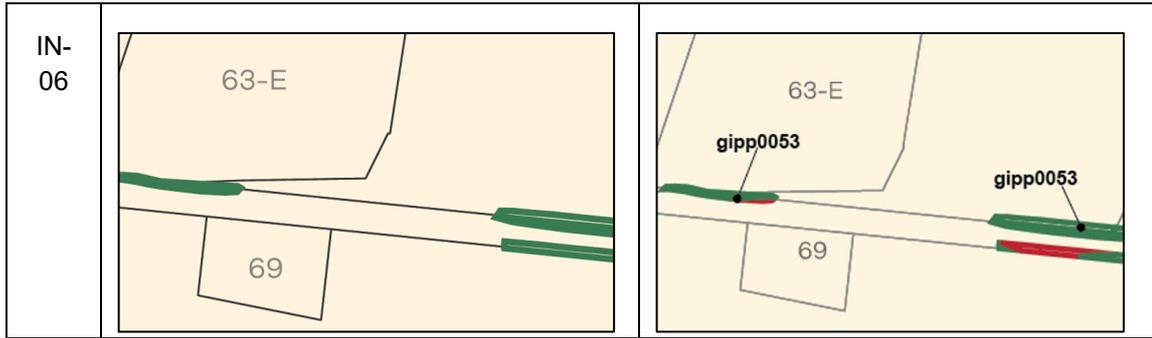
The VPA and Council agree with the intent of submitter 16's request and will undertake further investigation. It is not possible to provide a definitive position on this matter at this stage as the VPA and Council will need to undertake a comparison of DCP items and the NVPP which may result in map changes to NVPP.

The VPA and Council will be in a position by Tranche 2 to confirm if changes are required.

Following Tranche 1, the VPA performed a cross-reference of DCP projects and the NVPP and identified areas of overlap between the projects and vegetation shown as retained. It is noted that various DCP items were amended as part of the further work undertaken prior to Tranche 2. A list of affected projects and the resulting changes to the NVPP are identified in Table 4.

Table 4 - NVPP and DCP Project Summary

Ref	NVPP – Exhibited	NVPP – November 2021
IN-03		
IN-04		



The tables within the NVPP document have been updated to reflect the changes.

Changes to the NVPP have been made to account for direct areas of overlap with DCP Projects based on current designs, it is acknowledged that following the detailed design of infrastructure projects at the planning permit stage, additional vegetation removal may be required. It is noted that a planning permit may still be obtained to remove vegetation that the NVPP shows as *to be retained*, promoting a targeted and site-specific approach to vegetation removal in order to minimise the removal, destruction or lopping of native vegetation required by project construction.

5.1 Further Negotiations and Other Changes

5.1.0 Removal of Vegetation in PSP Property ID 52

NVPP Plan 5 previously showed a small patch of trees within PSP Property ID 52. A review of aerial imagery indicated the trees identified in the Flora and Fauna Assessment conducted by Nature Advisory had since been cleared from the land. As such, the NVPP plan was updated to remove reference to the vegetation.

These changes are shown in Figure 20.



Exhibited

November 2021

Figure 20 - Excerpt of exhibited and current NVPP Plan 5

6 ORDINANCE AND OTHER CHANGES

6.0 Tranche 1 Closing Submission Changes

6.0.0 UGZ Schedule Bushfire Provisions

In response to the CFA's Tranche 1 submission, the VPA and Bass Coast Shire Council agreed to amend the Schedule to Clause 37.07 (Urban Growth Zone) to include:

- An application requirement for a Bushfire Management Plan for an application to subdivide land adjacent to a Bushfire Hazard Area shown on Plan 8; and
- A condition for the approval of a Site Management Plan by the CFA for a permit to subdivide land.

These provisions ensure development within the PSP area appropriately responds to potential bushfire hazards.

6.1 DCP Evaluation

The tables and figures within Schedule 1 to Clause 45.06 (DCPO1) and the Schedule to Clause 53.01 (Public Open Space Contribution and Subdivision) have been updated following the further work undertaken on the DCP to ensure consistency across these documents.

6.2 Changes made following SMS

6.2.0 Clause 37.07 Schedule Amendments

The Schedule to Clause 37.07 (Urban Growth Zone) has been amended to incorporate the following:

- Section 2.3 (Specific provisions – Use of land) has been amended to ensure sensitive uses that are normally Section 1 uses in the applied General Residential Zone to require a planning permit where they are located within 143m of the gas pipeline.
- Section 4.0 (Conditions and requirements for permits) has been amended to include a requirement for a construction management plan to be approved by the responsible authority prior to the commencement of any works within 53.5m of the gas pipeline.

These amendments have been made to ensure sensitive uses and buildings and works near the pipeline appropriately manage the safety risks presented by the pipeline. These inclusions to the Urban Growth Zone are standard requirements for planning scheme amendments involving urban growth in proximity to high-pressure gas pipelines. It is noted that the construction management plan requirement within 53.5m of the pipeline is based on a standard (50m from a pipeline easement) and modified to account for the width of the pipeline easement (7m total diameter).

6.2.1 Clause 66.06 Schedule Amendments

The Schedule to Clause 66.06 (Notice of Permit Applications Under Local Provisions) has been amended to include a requirement to refer any applications associated with sensitive uses in land within 143m of the pipeline easement to the licensee and/or operator of the high-pressure gas pipeline. This has been added to ensure the pipeline operator is appropriately consulted on proposed permit applications near the gas pipeline, and therefore manage potential safety risks. This inclusion is a standard component of planning scheme amendments involving urban growth in proximity to high-pressure gas pipelines.

6.3 Other Changes

6.3.0 Change to D-DPO to retain DPO over 5261 Bass Highway

The exhibited version of the draft amendment originally showed the DPO as being removed from 5261 Bass Highway (PSP Property ID 66-R and 66-E) in the D-DPO map. This was identified as an error following an internal review of ordinance, and the map has been amended to remove the property from the D-DPO, in effect retaining the DPO on the property.

The properties to the south of the Bass Highway are being removed from the DPO but are to have the IPO2 applied to them as part of the draft amendment. Therefore, it was not the intention of the amendment to remove the DPO over any property without a similar provision replacing it.

An excerpt of the revised map is shown in Figure 21.

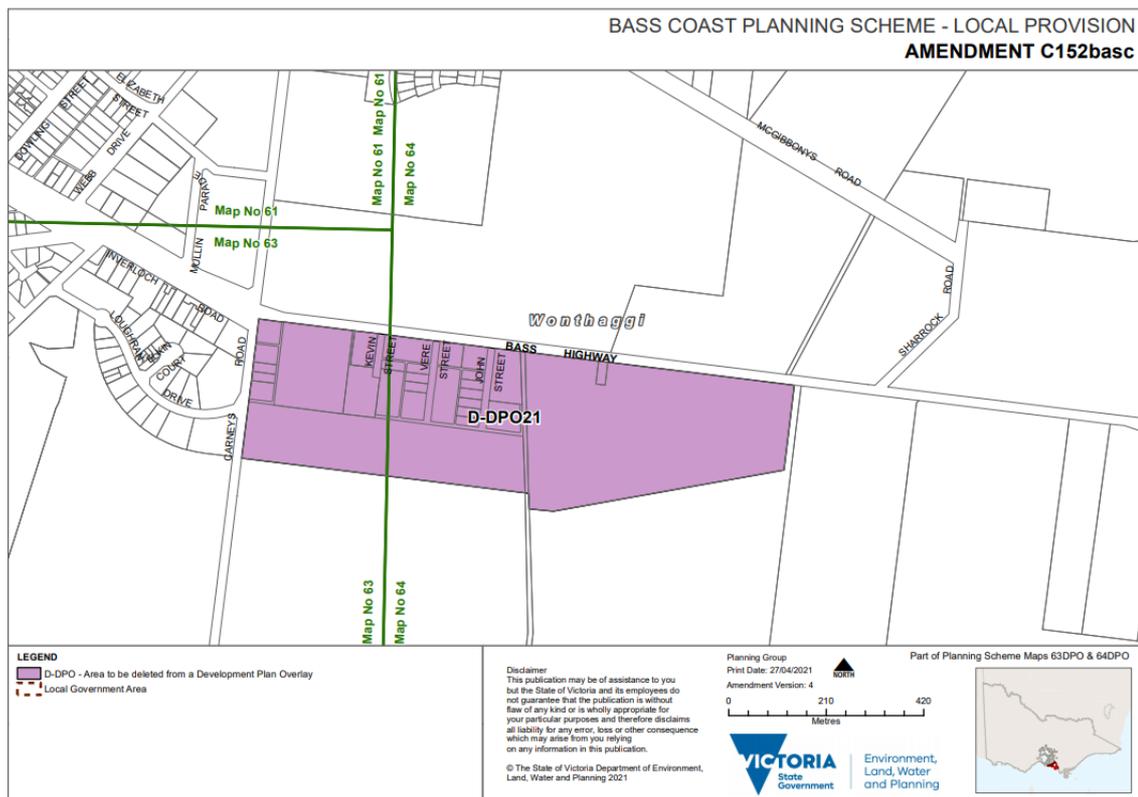


Figure 21 - Revised D-DPO Map

6.3.1 Changes to Environmental Audit Overlay Map

The proposed Environmental Audit Overlay Map has been amended to include properties that previously would be required to undertake a Preliminary Site Investigation (PSI) as part of proposed development, triggered by provisions included within the Urban Growth Zone Schedule 1 and Development Plan Overlay Schedule 21. The reasoning for this is the Environment Protection Act changes introduces on 1 July 2021, and corresponding changes to the VPP introduced by Amendment VC203.

The current Act and *Planning Practice Note 30: Potentially Contaminated Land* prescribe the need to conduct a Preliminary Risk Screen Assessment or Environmental Audit to ensure properties with a medium or high risk of contamination are suitable for development, and note the Environmental Audit Overlay as the appropriate mechanism for deferring these requirements if they are not undertaken as part of the proposed amendment.

As such, medium-risk properties that were previously required to undertake a PSI in either the UGZ or DPO Schedules now have the EAO applied to them. It is noted that the PSI requirement in the IPO Schedule has

been retained, as a PSI remains the appropriate mechanism for potentially contaminated land intended for industrial uses, and the relevant IPO schedule will apply only to industrial properties.

An excerpt of the revised EAO map is provided In Figure 22. Clause 72.03 has also been updated to reflect the additional EAO Maps 63 and 64.

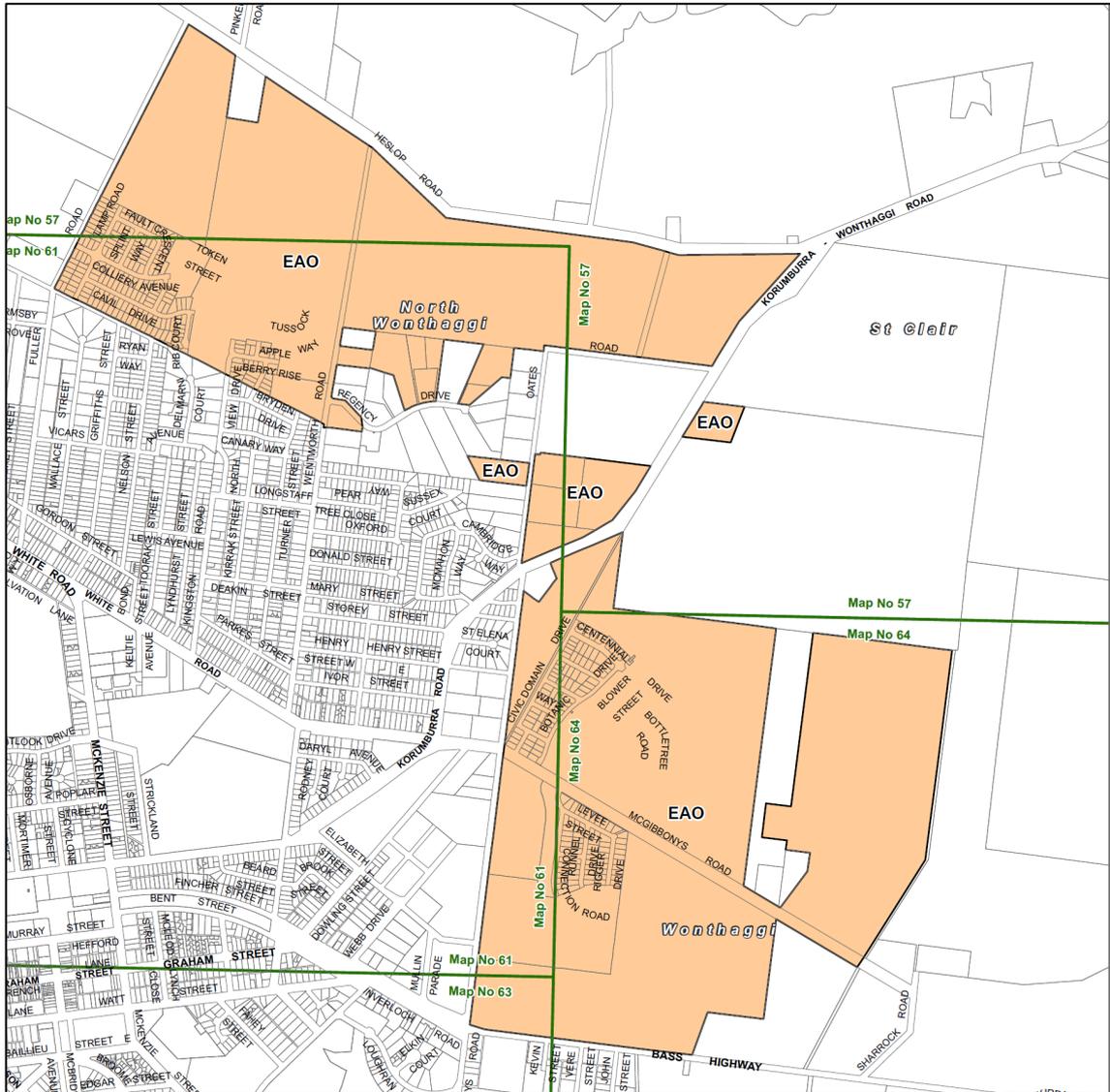


Figure 22 - Revised EAO Map

6.3.2 Clause 37.07 Schedule 1 Amendments

Because of the changes to the EAO explained in Section 6.4.1, the PSI requirement previously included within the Urban Growth Zone Schedule is not required, and the schedule has been updated to remove it.

6.3.3 Clause 43.04 Schedule 21 Amendments

Because of the changes to the EAO explained above, the PSI requirement previously included within the Development Plan Overlay Schedule is not required, and the schedule has been updated to remove it.

7 APPENDIX A – PSP, DCP & NVPP CHANGES LOG

Appendix A has been uploaded as a separate attachment.

8 APPENDIX B – ORDINANCE CHANGES LOG

Appendix B has been uploaded as a separate attachment.