



**New South Wales Government**  
Independent Planning Commission

## **TRANSCRIPT OF MEETING**

RE: SANCROX QUARRY EXPANSION PROJECT (SSD-7293)

### **COUNCIL MEETING**

PANEL: JANETT MILLIGAN (CHAIR)  
MICHAEL CHILCOTT  
TERRY BAILEY

OFFICE OF THE IPC: BRAD JAMES  
CALLUM FIRTH

PORT  
MACQUARIE-  
HASTINGS  
COUNCIL: DAN CROFT

LOCATION: ZOOM VIDEOCONFERENCE

DATE: 11:00AM – 12:00PM  
TUESDAY, 20<sup>TH</sup> AUGUST 2024

## <THE MEETING COMMENCED

5 **MS JANETT MILLIGAN:** I'll do the introductions. So good morning, everybody. Before we begin, I'd like to acknowledge that I'm speaking to you from Gadigal land and I acknowledge the traditional owners of all the country from which we virtually meet today and I pay my respects to their elders past and present.

10 Welcome to the meeting today to discuss the Sancrox Quarry Expansion Project, currently before the Commission for determination. Sancrox Quarry is an existing hard rock quarry, located in the Port Macquarie-Hastings local government area. The quarry has been owned and operated by Hanson Construction Materials Pty Ltd since 1998.

15 The application in its current form seeks approval of the consolidation of existing development consents and the expansion of the quarry into new areas to extract, process and transport up to 530,000 tonnes per annum of hard rock material over a 30 year period.

20 The application also seeks approval to construct and operate a concrete recycling and batching facility that would recycle and produce up to 20,000 tonnes per annum and an asphalt production plant that would produce up to 50,000 tonnes per annum.

25 So my name's Janett Milligan. I'm the chair of this Commission panel and I'm joined by my fellow commissioners, Michael Chilcott.

**MR MICHAEL CHILCOTT:** Morning, Dan.

30 **MS MILLIGAN:** And Terry Bailey. We're also joined by Brad James and Callum Firth from the Office of the Independent Planning Commission. In the interests of openness and transparency and to ensure the full capture of information, today's meeting is being recorded and a complete transcript will be produced and made available on the Commission's website.

35 This meeting is one part of the Commission's consideration of this matter and will form one of several sources of information upon which the Commission will base its advice. It's important for the commissioners to ask questions of attendees and to clarify issues whenever it's considered appropriate. So if you're asked a  
40 question and you're not in a position to answer, please feel free to take the question on notice and provide any additional information in writing, which we'll then put on our website.

45 So I request that all members here today introduce themselves before speaking for the first time and for all members to ensure that they do not speak over the top of each other to ensure accuracy of the transcript. So we'll now begin. So Dan, thank you very much for being here this morning.

5 We have a number of things that we'd like to go through and we thought perhaps the place to start would be perhaps taking you back to your correspondence after the response to submissions was made available. Council had originally lodged a submission in 2019. After the response to submissions was prepared by the applicant, you then came back and commented on some of those issues.

10 So we'd quite like just to go through that list of issues and check in with you on Council's position. Given that that correspondence is now also a little old, it's 2001, is that approach okay with you?

**MR DAN CROFT:** That's fine, Janett.

15 **MS MILLIGAN:** Okay. All right. So the first issue you raised in that correspondence was the water headworks charges. So water issues, specifically that water headworks charges, anything to tell us there? Where has that landed?

20 **MR CROFT:** Normally Council would charge water headworks where there's a demand on the water network. I understand that there is a water service that serves the amenities, so we would typically charge for use of water in terms of headworks and those infrastructure necessary to provide the water supply. So that's a normal practice that we would request be considered.

25 **MS MILLIGAN:** And so you provided a suggested wording around a condition there.

**MR CROFT:** That's right.

30 **MS MILLIGAN:** Yes. And have you had an opportunity to look at the draft conditions the Department has prepared?

**MR CROFT:** We did, yes.

35 **MS MILLIGAN:** All right. And so anything else you'd like to say about that condition around the water conditions?

40 **MR CROFT:** No, I'd probably – can we seek clarification if that condition has been included in the current draft? There has been quite a lot of back and forth over the years on various matters. I'm not sure if that condition landed in the draft consent or not.

**MS MILLIGAN:** Okay. All right, thank you for that. The next issue you raised was about the heavy haulage contribution.

45 **MR CROFT:** Yes, so typically Council's approach with quarries would be to pursue contribution to the impact on the haulage route and historically we've done that through planning agreements. So that was raised with the Department through the process that we would like to see a suitable mechanism to recoup funds to put into the ongoing maintenance of that haulage route, effectively to the state route,

so it's that local road network that leads to the state road. So that was a request through the process that that be considered. Advice, from my recollection, from the Department was that they were of the view that that could be dealt with through a condition and I understand there is a draft condition in the list of conditions that does cover that matter. It leaves it – and there was some discussion through the process around an appropriate rate per tonne.

**MS MILLIGAN:** So there was discussion about the appropriate rate but that hasn't sort of been included in correspondence or agreed in any way?

**MR CROFT:** It is in a draft condition, as I understand but we could –

**MR BRAD JAMES:** Yes. Janett, I might just jump in here. The Department have recommended a draft condition A18 around contributions. So it states that the application must make annual financial contributions to Council towards the maintenance of local roads used for the haulage of quarry product and the contributions must be paid at a rate of 15 cents per tonne of quarry product transported from the site.

**MS MILLIGAN:** And Dan, is that as your expectation?

**MR CROFT:** That was, yes, our request through that process. We did raise some questions around the mechanism and the appropriateness to levy monetary amounts outside of a contributions plan or a planning agreement. The Department did give us advice through the exercise that they were of the view that because it was state significant, that this – a potential approval was sufficient mechanism to achieve that. So we've accepted that position.

**MS MILLIGAN:** Thank you. The next point you raised was the s 94. Are there any residual issues there?

**MR CROFT:** Probably similar to the water one. I'm not sure if that did make it into the draft conditions. So I'd have to just check that perhaps with Brad.

**MR JAMES:** Yes, I can't see – I'm just doing a quick skim now and I can't see any reference to contributions other than what we just discussed around haulage. Yes, we can look into that as well.

**MR CHILCOTT:** Dan, it's Michael Chilcott here. In relation to that, did you provide to the Department a schedule of the fees to be levied? The way the condition is or the proposed condition is framed is that there's a notice of payment. Has that work been undertaken? Has Council quantified its proposed s 7.12 contributions?

**MR CROFT:** I don't know. I'd have to take that one on notice.

**MR CHILCOTT:** Could you?

**MR CROFT:** I'm not sure if Brad – have you received anything from us, Brad, do you recall?

**MR JAMES:** No, I haven't seen anything to date. Yes.

**MS MILLIGAN:** Okay.

**MR CHILCOTT:** And Dan, is there any reason you would suspect that a s 7.12 contribution would not be levied on this development?

**MR CROFT:** Well, typically it's levied on construction cost, so a percentage. So like it's a 1% cost. So it's a little bit unique, being a quarry extracting a resource. Typically it's associated with a building. So my initial reaction would be that the key issue here is the impact on the road network and my view would be that that condition relating to the haulage would be the key contribution component to address. That would be my view.

**MR CHILCOTT:** Dan, Michael again, just another observation is that generally with s 7.12 contributions, they're either applicable or they're not. There's generally not a matter of discretions, will we apply them or not. Do you have clarity from Council's perspective as to whether or not s 7.12 contributions are applicable in this case or not? Or is that a matter that needs clarification?

**MR CROFT:** Well, if there's building work involved, so we would typically charge on the construction cost. So that is in our contribution assessment policy. So I'd have to seek clarification, I suppose, on those elements to do with perhaps the concrete batching plant and the bitumen components, if there is a construction cost there that would be related to that contributions plan. That's the normal mechanism that we would use.

**MR CHILCOTT:** If you could clarify that from Council's perspective, I'd value that. Thanks, Madam Chair.

**MS MILLIGAN:** Thank you, Dan. You can take that on notice. We'll write to you and just be specific about the information that we're after. So thank you very much for that. Can we now move to biodiversity? Your response in 2021 obviously made a number of comments about biodiversity. So can you just tell us where that has landed, what are the key issues? Are there any residual issues for Council?

**MR CROFT:** There's no residual issues insofar as we provided some quite detailed advice in 2019 and again in 2021. We have reviewed the response to submissions and have reached a level of comfort that the key agencies, being the BCD, would take carriage of distilling what information we've provided and finalising that component.

So we've felt that we've reached our level of satisfaction with what we've seen and we're confident that the Departments will take that on board in their

finalisation of the assessment. As you can appreciate, at Council we have a limited ability to do a full assessment of a proposal like this. It is state significant, so we've provided what input we can and we will now put it to the key agency, being BCD, to distil all that.

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**MS MILLIGAN:** All right. Thank you very much for that.

**MR CHILCOTT:** Can I ask a follow up question?

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**MS MILLIGAN:** Yes.

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**MR CHILCOTT:** And again, it's Michael Chilcott. Dan, right at the end of the submission you put back in 2021, you made the observation that the surveys that had been conducted up until that point and there's been further work including peer reviews taken since then, it says does not yet determine if the site contains core koala habitat. Is that still Council's position that Council isn't aware of a study that's confirmed whether or not it contains core koala habitat? And do you have a biodiversity officer who's reviewed the materials to reach or to be able to confirm the position?

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**MR CROFT:** We do have ecologists on staff who provided input into that submission. So just could you draw me to what point [cross-talk 00:13:20].

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**MR CHILCOTT:** Sure. Under biodiversity, there's an A, B and a C sections and at C, if you look at C, dot point 3 or point 3, the final sentence is where I draw your attention but it's the entirety of that point with the conclusion at the end that I'm seeking clarification. It's just before the air quality impact assessment if I'm looking – am I looking at the right one?

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**MR CROFT:** Yes, so I mean we've just made that statement that we need the work done to determine whether it is or it isn't. So we've put that back to the proponent and ultimately the assessors to make that assessment. That's my understanding, reading that comment.

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**MR CHILCOTT:** Right. And you haven't reviewed that material that's come forward subsequent –

**MR CROFT:** No, no.

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**MR CHILCOTT:** – to assess whether that has changed from your perspective or not.

**MR CROFT:** No.

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**MR CHILCOTT:** So that remains a question for you.

**MR CROFT:** It does in a sense that we've – like I say, we've put a lot of effort into those comments that are there now and we've put that to the decision makers

that need to distil that work that's been put to them to determine. But that was our position at that point.

5 **MR CHILCOTT:** Thank you.

**MS MILLIGAN:** Yes, so on the –

**UNKNOWN SPEAKER:** Comprehensive.

10 **MR CHILCOTT:** I can go to the plan of management at this point if you'd like. Dan, again it may be a question you need to check with your ecology team but we're unable to find, at least in our review of materials, that there's any koala plan of management that currently applies to the site. Is that consistent with your understanding?

15 **MR CROFT:** Correct.

**MS MILLIGAN:** All right. So Dan, can we just touch on the air quality issues that Council originally had raised?

20 **MR CROFT:** Yes, look, we, with the response to submission, reached the view that it was addressed and that it was capable of being managed, whilst accepting there is an impact, that that impact is capable of being managed through the licensing and the operational conditions as recommended.

25 **MS MILLIGAN:** All right. That's good. And the general planning comments at the end we'll go to in a moment but until we do, is there anything else you wanted to say on any of those topics that originally Council was raising as issues?

30 **MR CROFT:** No. Thanks, Janett.

**MS MILLIGAN:** Okay. So the last section there is the general planning comments and I'll just ask you if you have anything to add to those and then we wanted to ask you a little bit more about potential sort of urban and residential use in that area. So just going back to the general planning comments Council made in 35 2021, anything you wanted to add to that or to draw our attention to?

**MR CROFT:** No, the draft Fernbank Creek Sancrox structure plan is that, it's still a draft. So that was – it's still advancing in Council. This project was directly 40 referenced, so it's clearly understood that the mineral resource and the constraints around that. So it's not – it hasn't been ignored through that structure planning process and there needs to obviously be a balance struck in realising resource potential and also future growth for the area.

45 **MS MILLIGAN:** So can we just ask you to talk a little bit more about that because we've read the references in many of the documents about the projected growth area in Port Macquarie and in the local government area more broadly and the direct link between the materials produced quarry and that expansion and

we've also looked at some of the investigation area report. So we just wanted to hear a little bit more about Council's position on the use of the land in the vicinity of the quarry for potential housing. Do you think there are constraints? Is that likely to be an issue in Council meeting its housing targets and its ability to meet the housing needs of future growth?

**MR CROFT:** Well, it's a balancing act, isn't it, between we need resources to deliver housing in itself in terms of construction, so it's recognising that there is a significant resource there and we've also got this targets in terms of housing. We believe the issues can be managed effectively and so the structural planning moving forward, we'll need to distil that around, particularly around that transition area between the resource and the investigation area.

And there are ways of managing those impacts. So that could be sequencing, staging and there's investigations that need to ultimately inform the structure plan that would lead to future planning proposals. But these matters, in our view, are capable of being taken into account so that we can achieve that balance between realising what resource is there and also then delivering housing into the future. So there is still work that obviously needs to be done but we believe there is a pathway to provide for both of those outcomes.

**MS MILLIGAN:** Thank you for that. Can I just ask you, in your correspondence in 2021 you made a reference to the consultative committee and given that some of the comments now and the application itself is a number of years old, can we just sort of ask you what Council is hearing from the community? Do you have any update for us on the topic of consultation, the consultation committee, just bring us up to date, I guess, in what Council is hearing from community on the project.

**MR CROFT:** Speaking from Council staff, we haven't heard an awful lot. I'm not aware of the status of the consultation committee. Staff, as far as I know, do not have a place on that committee, so it's hard to comment on that. We haven't coordinated obviously the exhibition process. We've diverted any enquiries through to the Department and to go through that channel. That's been our approach. But yes, you can draw back to the 2019 Council resolution, Council did highlight the need for consultation. I think this process in itself is addressing that. I understand there is a public hearing next week or two, is that correct, as well?

**MS MILLIGAN:** On the 3rd.

**MR CROFT:** On the 3rd, yes.

**MS MILLIGAN:** 3 September.

**MR CROFT:** So that's my – is there anything that I've said there that you'd like to –

**MS MILLIGAN:** No, that's good. And can I just sort of clarify, the 3 September,



it's a public meeting. So we actually distinguish between public meetings and public hearings.

5 **MR CROFT:** Okay, sorry.

**MS MILLIGAN:** They have [unintelligible 00:21:13]. No, that's fine. But just for clarity, it's a public meeting. No, that's fine. So at this point I'm just going to ask my fellow commissioners if there are questions that they would like to ask you. No?

10 **MR TERRY BAILEY:** No, Dan. No, all good. Thank you.

15 **MR CHILCOTT:** And just a further one, since you've made your previous comments, the Department as well as the conditions has issued its assessment report. Just in general terms, have you and your team had an opportunity to review the assessment report that's come forward to the Commission from the Department?

20 **MR CROFT:** No, we have not gone through that in detail.

25 **MR CHILCOTT:** I'll just draw your attention to – just following on from the discussions we were having earlier about koala habitat, in I think it's p 80 of that document, the Department writes that the – in a paragraph, it's the second last, in relation to their discussion on SEPP 44, the koala SEPP, that the biodiversity assessment report, the BAR, indicated that the vegetation to be cleared within the project area is core koala habitat under SEPP 44.

30 And I'd be interested to understand whether Council and its ecology team firstly concurs with that and if it does, what its perspective is in terms of that submission that you made last in response to the environmental assessment, in fact a response to submissions and whether that changes anything from Council's perspective.

35 **MR CROFT:** So you're saying there the Department has formed the view based on the information that is core koala habitat?

**MR CHILCOTT:** That's what's stated in the assessment report at the top of p 80 of that in appendix E.

40 **MR CROFT:** And so was a koala plan of management then [cross-talk 00:23:22].

**MR CHILCOTT:** There is no koala plan of management and the Council has suggested conditioning. We have a view, I suspect you'll form a view on that. But it's more does Council's ecology team, based on what's here, concur with that?

45 **MR CROFT:** We would normally expect a koala plan of management, so I'd probably ask - there's obviously some transitional provisions here, given the time of lodgement, I suspect, if –

**MR CHILCOTT:** That's correct. Again, it's covered within the Department's report, in its assessment report.

5 **MR CROFT:** From Council's experience, where there is core koala habitat being impacted upon, we would typically require a koala plan of management to be refined and endorsed before a decision was made.

10 **MR CHILCOTT:** I'm just interested in whether your ecology team has a view on that statement that the Department has provided in its assessment report.

**MR CROFT:** Well, I can talk to my ecology team but like I say, we haven't done the assessment here. If the Department has done that technical assessment and they've made that position, then that's for them to make.

15 **MR CHILCOTT:** All right.

20 **MS MILLIGAN:** All right, Dan, thank you. Thank you for those additional comments. It's been very helpful for us, I guess to bring us up to a contemporary view on where Council is thinking. Can I just ask you if there's anything else you'd like to say to the panel before we finish this?

**MR CROFT:** No. Thank you. Thanks for the opportunity to provide input into the process.

25 **MS MILLIGAN:** Okay. And there was at least one issue that we were going to follow up, so we will write to you and just ask you the specific question and some information that we require and we look forward to receiving your response.

30 **MR CROFT:** Thank you.

**MS MILLIGAN:** Thank you, Dan.

**MR CHILCOTT:** Thanks, Dan. Thanks for your time.

35 **MR CROFT:** See you later. Bye.

**MR JAMES:** Thanks, Dan.

**>THE MEETING CONCLUDED**