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19th May, 2008

Project No. 3277

Bovis Lend Lease
30 The Bond
30 Hickson Road
SYDNEY NSW 2000
Email: kim.goh@lendlease.com.au

Attention: Mr Kim Goh

Dear Kim,

RE: DARLING WALK REDEVELOPMENT
SYDNEY WATER CORPORATION NOTICE OF REQUIREMENTS

Reference is made to the Sydney Water Corporation Feasibility Letter of 7th April 2008, copy attached. This is to advise that this Feasibility Letter will form the basis of a formal Notice of Requirements upon the release of the Consent Authority's Application approval. The contents of the Feasibility Letter will transfer over and stipulate all the normal requirements as issued by Sydney Water in the Notice of Requirements letter.

It is a standard requirement of Sydney Water Corporation to request that all Consent Authorities within its area of operations, ie; Greater Sydney Basin area, request a Notice of Requirements only for the purposes of a Construction Certificate approval beyond a Development Approval.

As an accredited Water Servicing Coordinator, we advise the Consent Authority that this Feasibility Letter and its requirements will convert to a Notice of Requirements as stipulated above.

Yours faithfully,



Louis Panagopoulos
Warren Smith and Partners Pty Limited
Tel: 8234 8624
Fax: 9290 1295
Email: louis@warrensmith.com.au





Case Number: 111060

7th April 2008

Bovis Lend Lease
c/- Warren Smith & Partners P/L

FEASIBILITY LETTER

Developer: Bovis Lend Lease
Your reference: 3277
Development: Lots 314, 318, 319 & 371 DP's 869004, 871455 & 1033766
(No's 1-25) Harbour Street, Sydney
Development Description: Commercial development comprising of 2 x 9 storey buildings with 4 basement levels of car parking
Your application date: 10/03/2008

Dear Applicant

This Feasibility Letter (Letter) is a guide only. It provides general information about what Sydney Water's requirements could be if you applied to us for a Section 73 Certificate (Certificate) for your proposed development. **The information is accurate at today's date only.**

If you obtain development consent for that development from your consent authority (this is usually your local Council) they will require you to apply to us for a Section 73 Certificate. You will need to submit a new application (and pay another application fee) to us for that Certificate by using your current or another Water Servicing Coordinator (Coordinator).

Sydney Water will then send you either a:

- Notice of Requirements (Notice) and Works Agreement (Agreement); or
- Certificate.

These documents will be the definitive statement of Sydney Water's requirements.

There may be changes in Sydney Water's requirements between the issue dates of this Letter and the Notice or Certificate. The changes may be:

1. Developer Charges

- (a) Adjustment of charges due to the Consumer Price Index (CPI);
- (b) Adjustment of charges because of a scheduled review by the Independent Pricing and Review Tribunal (IPART). After that review and registration of the new charges, Sydney Water has to apply those charges; or
- (c) If there is rezoning of any land within the development proposal then new charges will apply.

2. Reticulation Recovery Charges

These charges recover part of the cost of works that have been paid for by Sydney Water or other developers and that benefit your development. This charge has been made before your points of connection have been determined. If your completed designs show that your development will be connected to other main/s, the charge may be changed and/or you may need to construct other works.

3. Changing the Proposed Development

If you change your proposed development, e.g. the development description or the plan/site layout, after today, the requirements in this Letter could change when you submit your new application.

Also, if you decide to do your development in stages then you must submit a new application (and pay another application fee) for each stage.

You have made an application for specific information. Sydney Water's possible requirements are:

1. Water, Sewer and Stormwater Information

1.1 Water

Sydney Water has assessed your application and found that:

The existing water supply system has sufficient capacity to cater for the proposed development, as is described on page 1 of this letter.

However, preference is to have any section of watermain that will be contained within the development site to be clear of the proposed development to enable easy access to the watermain. If as advised, the watermain cannot be moved due to congestion of other services then you will need to consider the following;

1. The 200mm main beneath the building is part of a loop main, which surrounds the eastern portion of Darling Harbour.

The main cannot be disused for the following reasons.

- If we do not have a continuous loop main it greatly affects our contingency options in the event of a main failure. Customers in the area are critical, and Sydney Water doesn't want to reduce it's ability to provide customers with a continuous supply of water.
- Dead-ends in the main will increase potential for poor water quality, which will result in increased customers complaints and additional maintenance to flush the main.

2. If the development encroaches over a watermain, the affected main will need to be made "Maintenance Free". Most of the 200mm main to the north of the development, which was adjusted in 2005, is maintenance free (SCL and concrete encased). There is a 18m section which was only laid as DICL, so it is not "Maintenance Free". If this section is impacted by the development then it will also need to be made "Maintenance Free".

3. If the 200mm DICL main in Harbour St laid in 1988 is impacted by the development, then it will need to be adjusted or made "Maintenance Free".

Should the adjustment of the Sydney Water water assets be necessary then Sydney Water will need to see the completed designs for the work before construction commences. Sydney Water will also require the developer to lodge a security. The security will be refunded once the work is completed to Sydney Water's satisfaction.

1.2 Sewer

Sydney Water has assessed your application and found that:

The existing sewerage system has sufficient capacity to cater for the proposed development, as described on Page 1 of this letter.

This proposed project will impact on two sub mains in the Darling Harbour Precinct. The Darling Harbour Submain a 750mm VCP (WN 300418/1) located to the northwestern portion of the site and the Harbour Street Submain, a 450mm VCP (WN 300418/2) that runs along the northeastern site boundary.

These Submains are constructed in what was many years ago swamp reclaimed land so the sewer mains may have piling support. Concrete encasement of the Darling Harbour Submain would require verification.

As limited details have been provided on this project, the following are general conditions that may be applicable to those sections of sewer mains that may be impacted by the proposed development.

All Maintenance Holes are to have physical access from the street 24 hours/day and are to have a min of 2m clearance from the outside edge of the access lids as these Submains are critical assets, particularly the manhole on the Darling Harbour Submain. All Maintenance Holes are to have a min of 3m headroom clearances above the manhole surface level for maintenance purposes.

All sections of sewer mains that are made inaccessible due to proposed building foundation pier and beam supports or proposed building works above are to be "Maintenance Free" and require concrete encasement. A minimum clearance of 1 metre is required from the outside edge of the submain encasement to the face of piers. This clearance is to be maintained. Minimum clearances from the top of the encasement to the underside of proposed concrete slab above the sewer main is to be a minimum 500mm. If these minimum clearances are not achievable Submain deviations will be required around the proposed buildings.

Under no circumstances is construction activity to commence near these Submains until the protection works are complete. No heavy machinery is to be located over the subject sewer mains or to be located such that machinery loads are transferred to the Submain.

As mentioned in Section 1.1 regarding water facilities, should the deviation of Sydney Water sewer assets be necessary, then Sydney Water will need to see the completed designs for the work before construction commences. Sydney Water will also require the developer to lodge a security. The security in respect of the sewer works is to ALSO include possible submain repair

work costs should the submains be damaged during the major construction works to be carried out within the site, for the proposed buildings.

1.3 Stormwater

Preliminary investigations have identified the above property drains to and impacts on the Liverpool St – Hyde Park Branch (30PA), Liverpool St Branch (30PB) and the Hay - Lackey East and West Branches of the City Area (SWC30) system, which discharge to Sydney Harbour SF (SWG05).

The following revised plans were submitted to Sydney Water by email dated 4 Apr 08 and relate to Stormwater:

- CD10 to CD13 inclusive, Revision B
- SSK-009 Issue 02 and SSK-010 Issue 01

Your WSC refers to the proposed deviation as the James St diversion. Sydney Water's records refer to these systems as the Liverpool St – Hyde Park Branch (30PA), Liverpool St Branch (30PB)

Sydney Water provides in principle agreement to the proposed deviation and build over provided the following detail is provided:

- Hydraulic Grade Line calculation showing the proposed deviation has at least the same capacity as the existing pipeline.
- Plans show a portion of the 750mm Liverpool St Branch (30PB) will be disconnected. Any disused works must be decommissioned and either removed or backfilled
- No load shall be placed on existing or new assets. A report from a suitably qualified and experienced engineer is required confirming this.
- Provision of easements over the new and existing assets in the proposed development area. The easements will need to specify that no further build over of assets will be allowed.
- Dilapidation report for the Hay-Lackey System pre and post construction. If the dilapidation report shows the asset to be in poor condition works to restore the condition of the asset may be required prior to construction proceeding.

In addition to the above all works will need to comply with the following standard conditions:

- Standard Conditions for Stormwater Connection
- Standard Conditions for Deviation of Stormwater Channels
- Standard Conditions for Building Adjacent to Stormwater Channels.
- Standard Conditions for Building Over Stormwater Channels

This site presents an excellent opportunity to undertake stormwater harvesting at both a regional and local scale. Regional stormwater harvesting could utilise the proposed water features to store stormwater for reuse in the adjacent open space as well as toilet flushing via a third pipe in the proposed office and retail development. At a local scale runoff from roofs could be captured and used in cooling towers and the local paved areas could also be treated before discharge to Cockle Bay.

This site also represents a significant education opportunity for promoting stormwater harvesting due to its high public profile. Any proposed stormwater quality treatment should be integrated into the urban form of the proposed development using Water Sensitive Urban Design (WSUD) techniques.

Further information can be obtained from the following organisations:

- DEC/EPA — Managing Urban Stormwater – Harvesting and Reuse - [EPA | Stormwater](#)
- Water Sensitive Urban Design in the Sydney Region - <http://www.wsud.org/>
- Sydney Water, Stormwater Team

The Sydney Water Stormwater Team would welcome the opportunity to discuss stormwater harvesting with the developer in order to promote potable water savings and improve the quality of stormwater going to Cockle Bay.

2. Developer Charges

| Development Servicing Plan (DSP) | Basis of Calculation | Charge (\$) for Applicable period (07/04/08-30/06/08) | Charge (\$) for Applicable period (01/07/08-06/04/09) (CPI adjusted) |
|--|---|---|--|
| Eastern Suburbs Water DSP Area | Commercial-(Area Basis) 6.70 ha @ \$0/ha = \$Nil | \$Nil | \$TBA |
| Boos Sewer DSP Area | Commercial-(Area Basis) 6.70 ha @ \$0/ha = \$Nil | \$Nil | \$TBA |
| Reticulation Recovery | See Note below | See Note below | See Note below |
| DEVELOPER CHARGES TOTAL: <i>[OFFICE USE – Invoice Charges total – Developer \$Nil]</i> | | \$Nil | \$TBA |

- **DSP charges** are a contribution towards the cost of systems (e.g. treatment plants) which serve your development. We have no power to change these costs because they are decided by IPART. If you want more information visit the IPART website www.IPART.nsw.gov.au. If there is a dispute, the cost of arbitration will be shared equally by you and Sydney Water (see *IPART Act 1992, Section 31*).
- For the purposes of this current “feasibility” application, the DSP charges in the table are purely based on your development needing an average day water demand of allowance of up to 19.9kl per day per pure net hectare for suburban commercial developments. If the development generates a greater demand, you may have to pay more in charges. If you are going to sell the development, you have to explain the situation to prospective buyers as part of the requirements of Vendor Disclosure.
- **Reticulation Recovery Charges** recover part of the cost of works that have been paid for by Sydney Water or other developers and that benefit your development. This charge is calculated before your points of connection have been determined. If your completed designs show that your development will be connected to other main/s, the Reticulation Recovery charge may be changed and/or you may need to construct other works.

3. Stamping and Approval of your Building Plans

You must have your building plans stamped and approved **before the Certificate can be issued. In any case, building construction work MUST NOT commence until Sydney Water has granted approval.** Approval is needed because construction/building works may affect Sydney Water’s assets (e.g. water, sewer and stormwater assets).

Your Coordinator can tell you about the approval process including:

- Your provision, if required, of a "Services Protection Report" (also known as a "pegout"). This is needed to check whether the building and engineering plans show accurately where Sydney Water's assets are located in relation to your proposed building work. Your Coordinator will then either approve the plans or make requirements to protect those assets before approving the plans;
- Possible requirements;
- Costs; and
- Timeframes.

You can also find information about this process (including technical specifications) if you either:

- visit www.sydneywater.com.au > Building Developing and Plumbing > Building and Renovating. Here you can find Sydney Water's *Guidelines for Building Over/Adjacent to Sydney Water Assets*; or call 13 20 92.

Notes:

- **The Certificate will not be issued until the plans have been approved and, if required, Sydney Water's assets are altered or deviated;**
- **You can only remove, deviate or replace any of Sydney Water's pipes using temporary pipework if you have written approval from Sydney Water's Development Operations Branch. You must engage your Coordinator to arrange this approval; and**
- **You must obtain our written approval before you do any work on Sydney Water's systems. Sydney Water will take action to have work stopped on the site if you do not have that approval. We will apply Section 44 of the *Sydney Water Act 1994*.**

OTHER THINGS YOU NEED TO DO:

Shown below are other things you need to do that are NOT a requirement for the Certificate. They may well be a requirement of Sydney Water in the future because of the impact of your development on our assets. You must read them before you go any further.

(1) Soffit requirements

Please be aware that floor levels must meet Sydney Water's soffit requirements for property connection and drainage.

(2) Disused Sewerage Service Sealing

Please do not forget that you must pay to disconnect all disused private sewerage services and seal them at the point of connection to a Sydney Water sewer main. This work must meet Sydney Water's standards in the NSW Code of Practice for Plumbing and Drainage (the Code) and be done by a licensed drainer. The licensed drainer must arrange for an inspection of the work by a Sydney Water plumbing and draining inspector. After Sydney

Water's inspector has looked at the work, the drainer can issue the Certificate of Compliance. The Code requires this.

(3) Possible future costs

The requirements in this Notice relate to your Certificate application only. Sydney Water may be involved with other aspects of your development and there may be other fees or requirements. These include:

- construction/building plan stamping fees, plumbing and drainage inspection costs;
- the installation of backflow prevention devices, trade waste requirements;
- large water connections; and council fire fighting requirements. (It will help you to know what the fire fighting requirements are for your development as soon as possible. Your hydraulic consultant can help you here.)

(4) TRADE WASTE AND BACKFLOW PREVENTION INFORMATION

Trade Waste Information

Should this development generate trade wastewater, this notice of requirements does not guarantee the applicant that Sydney Water will accept the trade wastewater to its sewerage system. For further information please visit the Sydney Water website at, <http://www.sydneywater.com.au/OurSystemsAndOperations/Tradewaste/> or contact a Trade Waste Customer Service Representative on (02) 9622 2244.

Prospective Purchasers should be made aware of the above situation under the requirements of vendor disclosure.

Backflow Prevention Information

In accordance with Sydney Water's Backflow Prevention Policy, you may be required to install a backflow prevention containment device immediately downstream of each water meter servicing the property. The device must be installed as a condition of continued use of the water supply. Failure to install and maintain the device may result in disconnection of the water service. A copy of Sydney Water's Backflow Prevention Policy is available on the Sydney Water Website at, <http://www.sydneywater.com.au/BuildingDevelopingandPlumbing/BackflowPrevention>

No warranties or assurances can be given about the suitability of this document or any of its provisions for any specific transaction. It does not constitute an approval from Sydney Water and to the extent that it is able, Sydney Water limits its liability to the reissue of this Letter or the return of your application fee. You should rely on your own independent professional advice.

END