

8.3 TAMWORTH GLOBAL GATEWAY PARK - PROJECT UPDATE – FILE NO

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Reference: Item 9.1 to Ordinary Council 8 September 2020 - Minute No 275/20
Item 8.1 to Ordinary Council 28 July 2020 - Minute No 204/20
Item 9.9 to Ordinary Council 26 May 2020 - Minute No 114/20
Item 9.5 to Ordinary Council 28 April 2020 - Minute No 110/20
Item 12.4 to Ordinary Council 11 February 2020 - Minute No 25/20

RECOMMENDATION

That in relation to the report “Tamworth Global Gateway Park - Project Update”, Council:

- (i) receive and note the update on the Tamworth Global Gateway Park project;*
- (ii) endorse the recommendation from Transport for New South Wales regarding the closure of the Mahony Avenue pedestrian crossing at the railway on the basis of safety to the community;*
- (iii) approve the amount of \$60,000 from the Westdale Land Reserve for external legal costs in relation to preparation and review of legal documents between Qube and Council for the lease and operation of the Intermodal facility;*
- (iv) approve the amount of \$35,000 from the Westdale Land Reserve for marketing and media campaign for Stage 1 of the Tamworth Global Gateway Park; and*
- (v) approve the amount of \$15,000 from the Westdale Land Reserve for the preparation of Survey Lot Plans and the Intermodal Lease for Stage 1 of the Tamworth Global Gateway Park.*

SUMMARYI

This report provides an update in relation to progress of the proposed industrial development known as the Tamworth Global Gateway Park (TGGP).

The report provides a short summary of the status of the projects that make up Tamworth Global Gateway Park. These include:

- Rail Line Reactivation;
- Country Road Roundabout;
- Trunk Drainage Project;
- Goddard Lane Roadworks;
- Intermodal Access Roads; and
- Intermodal.

The proposed reactivation of the rail line to the Tamworth Global Gateway Park also raises the risk to safety of the public using the Mahony Avenue pedestrian rail crossing. The report outlines the background information and justification for Transport for New South Wales (TfNSW) recommending closure of the level crossing. TfNSW is seeking Council’s concurrence to close the crossing based on public safety.

The report also updates progress in relation to sales and marketing of the TGGP land and seeks authorisation for the Mayor and General Manager to sell land that meets criteria consistent with the TGGP Business Plan.

The report also seeks approval for additional funding for a marketing and promotion campaign, legal costs in relation to licences and leases with Qube for the operation of the Intermodal, licences and agreements with TfNSW and professional survey costs associated with the road and lot plans required for sale and subdivision purposes.

COMMENTARY

Since the last report to Council in September 2020, there has been considerable effort and activity in relation to the overall project. This report provides an update to Council on progress and current anticipated timelines.

Rail Line Reactivation Project

At the most recent Project Control Group (PCG) meeting for the rail line reactivation project, it was confirmed that the Department of Regional NSW (DRNSW) has approved this budget and in turn TfNSW has authorised John Holland Rail (JHR) to commence work in accordance with that budget.

The approved budget is as follows:

Table 1

Item	Base estimate	Upper limit estimate including contingency
TfNSW Scope	\$23,608,000	\$31,991,000
TRC Scope	\$2,677,000	\$3,260,000
TOTAL	\$26,285,000	\$35,251,000

In relation to the Council scope, this package of works includes the following:

- track and signal works on the Intermodal Site in conjunction with Qube construction;
- roadwork associated with Gunnedah Road level crossing;
- roadwork associated with Dampier Street level crossing;
- roadwork associated with Evans Street level crossing;
- intersection upgrade at intersection of Wallamore Road and Evans Street;
- high voltage power relocation near new rail line to intersection to Intermodal; and
- gas main protection slab near rail line to Intermodal.

The construction program currently is plans to have trains operating by the end of September 2021.

The following impacts are noted during the construction:

- road closures (two days planned) for each of the level crossings. Normal communication processes will be implemented prior to the closures; and
- at the Wallamore/Evans crossing it is expected that Evans Street will be closed at the northern end for three to four weeks to ensure project safety. Traffic on Wallamore Road is expected to be controlled by portable traffic lights during construction limiting traffic to one direction at a time for periods of the job.

Closure of the Mahony Avenue Pedestrian Rail Crossing

The Mahony Avenue pedestrian rail level crossing has existed at the current location for many years. The location of the crossing in relation to the West Tamworth Rail Yard means it will be impacted by trains accessing the Intermodal.

Currently there is only the daily passenger train service to and from Sydney that passes the existing level crossing. This service is scheduled and therefore predictable in timing and passes the level crossing within a couple of minutes.

The Qube Operational Plan is based upon a train up to 900m in length. The existing West Tamworth rail yard can only accommodate trains up to approximately 450m in length due to the proximity of the Denison Street level crossing to the north and existing rail infrastructure, including the line to be reactivated, to the south.

The shunting sequence required to navigate trains up to 900m long through the West Tamworth rail yard and onto the reactivated line to the Intermodal is reasonably complex and is expected to take approximately an hour in the morning and the afternoon to reconfigure the train for the next part of the journey (either to the Intermodal or to Sydney).

During the shunting process trains will cross the pedestrian crossing on multiple occasions and will be parked across the level crossing for periods of time.

The shunting sequence introduces far greater safety risks due to the movements of trains going both forwards and backwards across the crossing. Due to the long period that shunting occurs, it is expected that pedestrians would also be delayed from crossing for long periods of time, likely leading to pedestrian frustration or poor decision making that may result in taking an unsafe action

The TfNSW Level Crossing Closures Policy states “Due to the safety risk associated with level crossings, it is Government policy that where alternative access exists and following consultation with affected parties, level crossings be closed whenever possible”. The proposed closure of the crossing is consistent with this policy.

Alternate and far safer access exists at the Oxley Highway overbridge and the Denison Street activated (lights and bells) level crossing complete with pedestrian maze.

Community consultation has been undertaken to inform the community of the possible closure of the level crossing and to provide people an opportunity to formally object:

- between 11 June and 21 September 2020, signage was installed at the pedestrian level crossing advising users about a proposed closure of the crossing and requesting feedback on this proposal. Stakeholders were originally requested to provide feedback prior to 30 June 2020;
- on 18 June 2020, 18 letters were issued by email and post to local businesses, sports clubs, bicycle user groups, walking groups, emergency services, Tamworth Regional Council and Tamworth Business Chamber inviting them to provide a nil objection or feedback to the proposed closure;
- on 27 June 2020, an additional 40 properties along Market Street, Sale Street, Stewart Avenue and Gunnedah Road received a letterbox drop. This followed a request from the local MP to directly notify these residents of the proposal. The consultation period for stakeholders to provide feedback was extended to 12 July 2020;
- prior to 12 July 2020, two formal written nil objections and three community objections via email and phone were received;

- between 12 July and 21 September 2020, two additional community objections were received; and
- thus only five objections were received over the three month period requesting feedback. One of these objections were the residents living within the rail corridor off Gunnedah Road. They have since agreed to vacate the residence and relocate elsewhere, making their feedback redundant.

To further understand the impact of a closure on the pedestrians and cyclists in the area, a pedestrian study has also been undertaken by JHR. The study included data collection on-site via cameras on either side of the rail line between 5am and 10pm for a period of one week from 12 to 19 of August.

The data collection found:

- on average, the crossing was used 37 times per day;
- approximately 25% of users were cyclists;
- the only users were adults and cyclists. No elderly, children or people using mobility devices used the crossing; and
- the usage was typically spread across the day.

Based on the data available, the crossing is categorised as a 'Low Usage' crossing as per JHR Standards.

The current Council Shared Paths and Cycle Way Plan shows the Mahony Avenue crossing is used to tie together existing and future paths. In the event that the crossing is closed, Council will need to make minor adjustments to these plans to accommodate the necessary changes to direct users to the other available options.

The options considered include:

- Option 1 – closure of the crossing;
- Option 2 – pedestrian overbridge; and
- Option 3 – activated pedestrian crossing.

Taking into account the complexity and cost of options 2 and 3, the delays to pedestrians during shunting for option 3 and the low benefit (small number of people) to cost for options 2 and 3, it is recommended that Council support TfNSW's recommendation to close the crossing.

TfNSW seek Council's concurrence with the decision to close the crossing prior to recommending this to the Minister for formalising the closure. This concurrence forms part of the recommendations of this report. Further work will be undertaken in relation to adjustments to the Active Transport networks in the area.

Country Road Roundabout

The Country Road roundabout project is progressing well.

Much of the construction at the New Winton Road formation has been completed including a main culvert at the Murroon Creek. This extension is expected to be sealed over Christmas.

In the new year, Country Road traffic will be diverted onto this new road to allow the commencement of construction of earthworks for the new roundabout also in the new year.

The project site is heavily constrained by existing services with adjustment to gas and high voltage electricity having the greatest current impact.

Design and approval issues and the procurement of components for the relocation of the high voltage electricity assets have resulted in time delays and construction sequencing issues for the project.

Coordination of works associated with gas main adjustments have also proved complex. Council staff are currently working through legal documents with APA Gas Group (APA) to arrive at a workable contract that Council is prepared to sign to get APA to adjust existing gas assets.

The current construction program shows the roundabout operational by the end of September 2021.

Trunk Drainage Project

This project is in the early development stages with design of the culvert structures completed.

The project consists of four culverts referred to as culverts 2 to 5 (inclusive) that extend under and through Wallamore Road, the rail corridor and the Goonan Street road reserve. Culvert 2 extends up through stage 4 of the TGGP development.

Culvert units for culverts 2 to 5 are being manufactured by Humes, the bulk of which will be fabricated at the Tamworth factory and remainder at Blacktown.

The culverts within the rail corridor are subject to a complex third party works approval process by JHR. To date there has been good cooperation with JHR to progress this. Council staff are currently working through the final details of the design approval and then will focus on licence agreement documents with JHR and TfNSW to arrive at a workable contract that Council is prepared to sign to commence construction of the culvert structures in the rail corridor.

Within the Wallamore Road and Goonan Street road reserve there are a number of existing services (telecommunications, gas and power) that complicate the construction.

It is expected that the construction sequencing of the culverts will be managed to keep ahead of JHR for the rail line activation.

During construction of the culverts across Wallamore Road, there will be a need to close sections of Wallamore Road and divert traffic for that period of time. Normal communication processes will be implemented prior to any closures.

Culvert 5 discharges flows from Murroon Creek to below Wallamore Road onto land owned by Council as buffer and possible future operational areas of Westdale Sewage Treatment Works (WSTW). The proposal is to discharge culvert 5 into an open channel that will convey the 100 year storm discharge to below the extent of possible future WSTW operational areas. Below this a low flow channel sized for smaller, more frequent storm events will be constructed with larger storm events spilling out of the low flow channel, and flowing overland toward the Peel River anabranch to minimise the risk of erosion.

The low flow stormwater channel approach is based on advice from the NSW Department of Planning, Industry and Environment to minimise erosion.

Goddard Lane

Construction of the Goddard Lane widening project commenced mid November. The initial works involved stripping of the road verge to allow local Aboriginal parties to inspect for items of Aboriginal heritage. None were located.

The construction of the sewer has commenced starting at the existing sewer main at the bottom of the TGGP near Goonan Street. To date, the progress has been a little slower than planned due to the presence of hard rock requiring hammering.

Designs for electrical reticulation and street lighting are well progressed with approval expected from Essential Energy (EE) by Christmas. This will allow a tender to commence prior to Christmas and be awarded in the new year for a contractor to construct the electrical infrastructure. Similar progress is being made for provision of gas and communications for future lots.

The surveying work is currently being undertaken to formally define the widened Goddard Lane road reserve and the new internal roads to provide access to the Intermodal. This plan will also confirm boundaries for five lots located at the northern end of Goddard Lane. It is expected that a development application (DA) for the formal subdivision of the lots will be lodged with Council in the new year.

Intermodal Access Road

This component of the TGGP consists of construction of the Goddard Lane connection, 200m of the main link road that runs through TGGP, and the road providing vehicle access to the Intermodal.

This package of work is partially funded by the Federal Government and, as a requirement of the funding, the work cannot be undertaken by Council staff. It is proposed that a tender to deliver the civil works will commence prior to Christmas 2020 and be completed in late January 2021 to identify a contractor to undertake the work.

In the meantime, an early works package is expected to be delivered prior to Christmas. This will include the stripping of topsoil for the roads, inspection of the stripped area by local Aboriginal parties, construction of a temporary access to the Intermodal site and grading of Goonan Street connecting to Goddard Lane.

The early works will give the general public a clear idea of the configuration of the development and will be a significant step forward in relation to community and business awareness of the activity to follow.

Intermodal

Significant progress has been made in relation to the Tamworth Intermodal Freight Facility. The design for the facility has been finalised by Qube and a DA for the operation of the facility was lodged in late November. Advertising of the DA will close on 17 December 2020.

A significant amount of work is currently going into the legal documents that will underpin the operation of the Intermodal.

This suite of documents includes the:

- lease between Council and Qube for the Intermodal site;
- licence for Qube to access the Intermodal site during construction;
- licence for Qube to access the land between the rail corridor and the Intermodal site;
- formal agreement between Qube and Council for Qube to undertake earthworks on the land between the rail corridor and the Intermodal site; and
- formal licences involving TfNSW/JHR/Qube/Council to licence access to the rail corridor.

This suite of documents will be relatively complex and will be critical to achieve a balance so that Qube can conduct a commercially viable operation and that Council achieves the critical piece of infrastructure required to activate the TGGP.

Council has engaged legal assistance to assist in the preparation and review of the legal documents between Qube and Council and this is expected to cost in the order of \$60,000.

It is recommended that this money be made available from the Westdale Land Reserve.

Marketing and Sales

Council's team have been progressing with the sales agents (Burke and Smyth and CBRE) to prepare a marketing campaign to be launched in the new year.

CBRE have provided a quotation to launch in the new year. Their price of \$28,812 includes the following components.

- four 6m x 3.6m signboards;
- online listings on the CBRE website for 26 weeks; and
- preparation of CBRE hubble drive digital ads.

As presented in the Business Plan, the costs for the marketing campaign are budgeted against the sale of the land. The business plan for TGGP showed 10% of sales allocated to pay for commission, marketing and legal costs.

It is recommended that \$30,000 be approved by Council for the marketing campaign. It is recommended that this money be made available from the Westdale Land Reserve.

To facilitate the sales of the land, survey costs of \$15,000 for Stage 1 are required for the preparation of the subdivision plans. These costs will also be recovered from the 10% of sales allocated to pay commission, marketing and legal costs.

It is noted that the intention of the TGGP is to enhance business and industrial activation within the city. To ensure this process is as easy as possible for prospective developers, it is recommended that a simple selling mechanism is established by Council to simplify the process. One part of that will be to authorise the Mayor and General Manager to sell land at terms that have been approved by Council.

A later report in Closed Council will seek authorisation to progress sales based on recommended parameters and pricing.

(a) Policy Implications

Nil

(b) Financial Implications

This report recommends the allocation of an additional \$110,000 from the Westdale Land Reserve for costs associated with marketing and promotion campaign, legal costs in relation to licences and leases with Qube for the operation of the Intermodal, licences and agreements with TfNSW and professional survey costs associated with the road and lot plans required for sale and subdivision purposes.

These costs will ultimately be recovered through the 10% allowance for land sales in the Business Plan to account for commission, marketing and legal costs.

(c) Legal Implications

The report references a number of expected licences, leases and agreements that will need to be prepared and executed by Council in the coming months.

Due diligence will be applied in all cases and input provided from Council's legal team when resourcing allows. Specialist external legal advice shall be provided by Maddocks Lawyers.

(d) Community Consultation

The TGGP Project Control Group are coordinating media releases with Council's communications team and the TGGP project progresses.

(e) Delivery Program Objective/Strategy

A Prosperous Region – P11 Support and facilitate economic development and employment opportunities.
