

Port Botany Neighbourhood Liaison Group	
Date: Tuesday 14 August 2012 Time: 5.3	Opm-7.00pm Meeting No. 18
Location: Sydney Ports Operations Centre – Dampier Room	
Attendees	
Charles Abela – Community Representative	Ron Brennan – Origin Energy
John Burgess – Community Representative	Nathan Barnes – Vopak
Lynda Newnam – Community Representative	Aldo Costabile – Elgas Limited
Thomas Nolan – Community Representative	Pamela Meers – Caltex
Kellie Parkin – Community Representative	Christa Sams – Sydney Ports Corporation
Paul Pickering – Community Representative	Shane Hobday – Sydney Ports Corporation
Karen Armstrong – Randwick City Council	Alison Karwaj – Sydney Ports Corporation
Karen Browne – Electorate Offices for Member for Maroubra	Bob de le Lande – Sydney Ports Corporation
Simon Lawton – Roads and Maritime Services	Sandra Spate – Minute taker
Lisa Foley – Workcover NSW	
<b>Guests</b> Richard Timbs – NSW Treasury	
Greg Sheehy – NSW EPA	
Acting Superintendent Scott Bingham - NSW Police	
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Meeting minute taker: Sandra SpateMeeting Chair: Shane HobdayApologies: Joanna Fielding – Workcover NSW, Cliff Bell – Caltex, Nancy Hillier –<br/>Community Representative, John Evic – State Transit Port Botany Depot, Steven Poulton –<br/>City of Botany Bay Council, Jacky Wilkes – Rockdale City Council, Stuart Clark – NSW EPA,<br/>Saskia Starr – Sydney Ports Corporation, Neil Truskett – Patrick

### MINUTES

## Agenda Items

#### 1. Apologies and introductions

Apologies are as noted above. SH introduced Richard Timbs from NSW Treasury who attended the meeting as a guest.



Other guests were from NSW EPA and NSW Police.

#### 2. Update on NSW Government refinancing of Port Botany

RT spoke on the proposed long term leases of Port Botany and Port Kembla. This was first publicly announced in relation to Port Botany in the budget of September 2011. The NSW Government commissioned an analysis and report on issues around the lease. The most recent budget announced an investigation of a long term lease of Port Kembla. The government has decided to proceed with both transactions.

Central to this will be 99 year leases of Port Botany and Port Kembla. Included in the lease will be the Port Botany landside precinct, the Cooks River Terminal, and the Enfield Intermodal Terminal. What will be retained by the government will be Sydney Harbour activities, the Harbour Master function, Pilots, management of Penrhyn Estuary and the boat ramp, and other marine safety functions currently undertaken by Sydney Ports. The government will also be keeping PBLIS as a regulatory function for improvements to the movement of freight in and out of the port and the access chain.

There is an intention to call for Expressions of Interest initially, then invitation for submissions as part of the bidding process. From there it will be a traditional sale transaction structure. Indicative bids should be received by the end of year, with the final bids anticipated by March/April next year. Bids would then be evaluated and contracts entered into April/May in time for the next Budget cycle.

LN asked whether the public assets retained would include the lookout at Molineaux Point.

RT replied this is expected to be part of the long term lease.

SH suggested that he could see no reason why the public would not be able to continue to access this Prince of Wales Drive and the lookout.

LN said this is a public asset. These were compensations to the community when the original port was built in our local area. She wrote to Duncan Gay last year and has still received no reply. She asked that the passion within the local community around this be understood.

RT will take feedback from this meeting and report concerns to the Treasurer to assist the government understand community views. Further concerns can be raised through Sydney Ports.

JB noted the Premier had indicated a drop in the target for the proportion of freight moved by rail. The target is now 28% by 2020 and the prospect of raising the current cap on container throughput. Paul Broad who is advising Treasury around infrastructure is talking about 7.5 million, and then 10 million. The site was predicated on 3.2 million TEU. Once that was reached another port had to be found. Road infrastructure is inadequate with resulting impacts on the community. The next carrot for the lease is to lift TEU limit for the port.

RT replied that the government has taken a decision around the TEU cap. The Treasurer has confirmed a decision to remove the cap. This would have needed to be considered in the normal course in the next 12-18 months. The decision has been taken to remove it now rather than in the next year or so.

JB reported that as part of the process for the Port Botany Expansion the community successfully took the government to court. One condition of the Expansion going ahead was 3.2 million TEU cap. It was part of the approval process. Its removal is a betrayal of the public. He thinks the community is being rorted by the government and it is patently wrong.

RT replied there have been a number of initiatives since the cap was put in place to



address congestion as traffic has grown. Sydney Ports has built a Truck Marshalling Yard and the Enfield Intermodal Terminal, which will assist with movement of freight by rail. There have been efforts to alleviate congestion around the terminal gate area. More recently there have been two proposals for intermodals at Moorebank, one by the government and one by private enterprise. The private sector proposal for Moorebank is a vote of confidence that rail is part of the future of movement of freight further west from Enfield. This will assist in alleviating congestion.

JB thinks this is not serious. The last PPP concept for an Intermodal went on for 2½ years and that was 14 years ago. He doesn't have confidence it will happen. RT replied that funding for the move of Defence from the Moorebank site has been allocated in the Budget and the private sector is ready to go. Strategic reports are foreshadowed including Infrastructure NSW on priorities for the state, with potential for expansion of motorways. Transport for NSW is preparing a long term freight and port strategy. He suggested the airport is a significant contributor to traffic congestion. Of the 100,000 movements daily on the road network in the vicinity of the port, 2,700 are in to the port and 2,700 out.

LN suggested truck numbers be seen in light of a modelling report on the M5 East expansion suggesting trucks carrying containers westbound through the F5 tunnel have a passenger car unit equivalence of 6 vehicles.

JB suggested the traffic congestion has little to do with the airport. It is port traffic and traffic going from the city to the South West. He said reviews over the last decade had gone nowhere. The problem is exacerbated now, the area is gridlocked. Assurances had been given by the previous government but it hasn't been addressed. He suggested bringing the Minister out to see the disaster of traffic management.

LN asked with regard to the cap on TEUs what has happened to the Conditions of Consent. Has the legislation changed?

KA noted she is interested in the planning process. The limit for TEUs was in Conditions of Consent as a result of the Commission of Inquiry. What planning regime is proposed for the port precinct? Currently Sydney Ports is the consent authority for certain developments.

RT can't provide more information at the moment. The government has taken a decision on the outcome but has not commented on the process to get to that outcome.

KA asked with privatisation of the Desal plant, what would happen if they wanted to change requirements.

RT while not commenting on the detail, noted the difference with the Desal plant being a regulated asset.

KA asked whether Sydney Ports will be a government body.

RT replied it will be a government entity.

SH noted Sydney Ports will retain control over the waterside of Port Botany and marine safety, but the landlord for Port Botany, Cooks River and Enfield will be a private enterprise.

RB asked whether the views of tenants will be considered. There are potential worries including dangerous goods, security arrangements, leases and costs, and emergency arrangements. He asked if tenants would have right of appeal.

RT replied there is period of preparation, getting feedback from interested parties in taking the transaction forward. One issue he was aware of from tenants is the possibility that a competitor may be the landlord. RB agreed this is a huge concern.

RT reported that the ACCC will be the primary regulator regarding competition. The government has engaged with the ACCC to convey the government's proposed



transaction and process. They have been open with the ACCC as they will be involved in the process. If competition issues arise, there will be a public consultation period from now till November 2012 to the ACCC. The government feels it is not better placed to deal with competition issues than the ACCC.

LN's asked RT to confirm what he said earlier in the meeting in regard to the government's decision on the container cap and she read from her notes: they've taken a decision on the outcome and now will look at the process to get to that. She also said that while in opposition, the government made a lot about having consultation. This is not a consultative model. There is no way we have been able to communicate. There has been a closed door. There is no framework for consultation. Decisions will be made in September and there will be a discussion period of about 6 weeks. We had a Commission of Inquiry regarding the expansion from May 2004 to May 2005. RT noted the bulk of demand for containers is in the metropolitan area. The government's view is that the asset base should become as efficient as it can so change the cap if this port can handle 7-8 million TEUs and keep the price of goods down. Moving containers to Port Kembla or Newcastle has associated costs and also has community impacts. There are views on road and rail impacts associated with promoting Newcastle.

LN's view is that cheaper goods should not be at the price of community health. She noted community meetings are being held in Port Kembla this week.

PP noted while there has been discussion around congestion and rail targets, nobody has spoken about coastal shipping. Is it viable to move containers with local coastal shipping? Discussion should be road, rail or water. What about barges to Port Revesby or Moorebank? Will the new operator at Port Botany look at other modes of moving freight?

RT understands major shipping lines look at two east coast drops out of Sydney, Brisbane and Melbourne. In terms of volume other loading is not economically viable. If significant volumes are moved by rail it will become economic.

JB reported that as part of the IPART tribunals he had talked to people in the transport industry. Even if the rail target were 40% stevedores prefer road. He suggested they have tried rail in the past and it was a dismal failure. He thinks the government is not cognisant of public reaction in Botany and Randwick, is not cognisant of views of freight operators and is out of touch with the reality of the situation. He suggests this will end up in litigation by the community. They have done it in the past and will do so again. SH thought the fact that Hutchison, a stevedore will operate the Enfield terminal is a positive step.

AC commented that as an operator he is interested in traffic movements. They will have a potential impact on business. He is surprised the outcome has been reached without process. In the last year he struggled to have an Elgas operation approved involving 10 extra traffic movements a day. They had to do a traffic study and go through the processes before an outcome.

LN suggested Michael Deegan had noted a requirement for consultation with stakeholders for long term planning for Port Botany and this hasn't been done. CA asked if potential tenderers are interested to know the capacity of the port, what will the government tell them?

RT replied that there will be information by November regarding the amount of traffic using roads. He expects those reports will be public with bidders able to view them. KP said there are significant communities with young families who deal with noise and pollution. It is not just traffic but holistic impacts.



RT replied that these impacts will be considered through the planning process. KP suggested the community doesn't know what the planning process is and is not included in the conversation.

LF asked about the role of Sydney Ports in emergencies. There is an overlap with Workcover regarding regulation of dangerous goods. Workcover relies on its relationship with Sydney Ports for 24/7 responses. She would be concerned if Sydney Ports were to lose regulatory responsibility.

SH responded this will still be the role of Sydney Ports.

LN asked the NSW Police representative Acting Inspector Scott Bingham to comment on traffic management and impacts for the future. LN noted the November 2011 Infrastructure NSW report on the Port and Airport Precinct didn't have police listed as a stakeholder. She urged the government to talk to Police, as there are life and death matters involved.

SB thought Superintendent Karen McCarthy would be concerned with traffic increases, as she is passionately concerned with the amount of traffic coming through.

JB noted an address by Superintendent McCarthy at the previous meeting who was emphatic that in emergency you can't get in or out with current operations, yet we are talking about a 5 fold increase.

LN suggested the 3.2 million cap was predicated on environmental concerns, all contained in the Environmental Impact Statement and taking into account the M5 and Gardeners Road amplification.

SH clarified that the 3.2 million cap is in the Conditions of Consent and not the estimated capacity of the port.

RT suggested it was hard to believe that people would think a 3.2 million cap could be permanent given the expected future growth in containers and the approved and built infrastructure at Port Botany. Assumptions in work being done by INSW and TfNSW for their reports are that container volumes at Port Botany would go beyond that cap. JB stated that this was the public assurance given. Once the cap was reached,

consideration would be given to Newcastle and Port Kembla. This was a major selling point. It was not in the original Consent that there would be a third operator.

RT suggested government wouldn't have invested in the expansion and Hutchison wouldn't have accepted if it were to remain at 3.2 million.

JB replied that this was the point made in public submissions. On behalf of the community he feels absolutely betrayed by government.

The meeting thanked RT for his attendance at the meeting. Further comment and questions can be made through Sydney Ports.

#### 3. Accept minutes of last meeting

The minutes from the last meeting including amendments submitted by LN and JF were accepted. Updated minutes will be placed on the Sydney Ports website.

#### 4. Actions arising from previous minutes

**Action:** Sydney Ports to provide more information to the NLG regarding truck height limits in relation to airport operations.

SH clarified that the height limitation for trucks greater than 4.3m relates to an overbridge to the QANTAS catering facility.

**Action:** Sydney Ports to investigate weed growth on the boat ramp. SH reported that the ramp has been cleaned. There is a program to clean the ramp every



two months. A coating can't be used on the ramp for ecological reasons. PP asked whether security will stay.

SH replied that security will remain with Sydney Ports to protect community assets against vandalism.

**Action:** Sydney Ports to investigate the 'No Fishing' sign on the break wall. SH reported discussions with the boating community and the Department of Primary Industries (DPI) around Sydney Ports' concerns on safety have resulted in agreement for new signs to be installed saying 'unstable rocks, fishing at own risk'. LN asked if attempts would be made to make fishing easier.

SH reported an approach from DPI looking at a potential site for a jetty.

JB reiterated a potential opportunity for joint funding of a jetty. He noted the return of schools of fish which is a good sign regarding water guality.

SH requested the community provide a proposal for the location of the jetty for Sydney Ports' consideration.

Action: SC to provide information to the NLG on what EPA monitoring occurs in the area and to respond to the issue of location of ambient air monitors.

GS reported the closest point is at Randwick, the primary purpose for which is to determine whether ambient air quality standards are being met and for long term research.

KP asked whether it is possible to get something in the Botany area to tell the community whether the air is OK.

GS replied that he can put a request in. There is currently monitoring in the Hunter after recent incident with Orica.

JB agreed that air monitoring in closer proximity is needed with development around port. CA asked why Randwick was chosen.

GS replied it was chosen as a long term site. It was one of the first and has been there for 20 years.

Action: Vopak to provide feedback to LN on an incident on Sunday 13 May leading to community complaint.

NB has followed up this up with LN.

**Action**: SH to follow up fishing safety at Molineux Point with JB. This has been done.

#### 5. Rail and Freight issues

SH reported that 2.036 million TEU came through the port in the last financial year which represents a growth of 1%. Last year the figure was 2.02 million. 14% of this was moved by rail compared up to 19% in previous years. This doesn't represent a drop in the amount by rail, but in the proportion compared to the number coming through. PP asked whether the amount moved by rail is likely to pick up when the grade separation is complete.

SH replied that when the Enfield Intermodal Terminal is complete next year he thinks it will increase significantly. Hutchison (who will be operating Enfield) and Qube (the main investor in Moorebank) will want to make their investments work.

PP asked whether the terminals will all be privately run.

SH replied that Enfield will be part of the long term lease and Hutchison will be the main



tenant. Moorebank is also being developed by the private sector. PP asked for confirmation that the rolling stock will be privately owned. SH replied this will be the case, as it is now.

Sydney Ports provided copies of the 2010/11 *Trade Report*, *Logistics Review* and *Sustainability Report* for attendees. Copies are also available on the website: <u>http://www.sydneyports.com.au/corporation/publications</u>.

# 6. Development Activities in the port Sydney Ports developments

#### Port Botany Expansion

SH reported that the Banksia St overpass was opened in July 2012. Sydney Ports is in the process of negotiating its handover to Botany Council.

Grade Separation works are due for completion by early next year.

Sydney International Container Terminals Limited (SICTL) has contracted Laing O'Rourke to start work on the new terminal site in late August. Patricks will get 18 hectares of the new terminal area and SICTL 40 hectares. Patricks are also preparing

to start work by end 2012.

LF asked if the rail will go through Patrick's.

SH replied the rail corridor is to Hutchison's site. There is rail to DP World and there will be additional sidings for Hutchison alongside Patricks.

PP asked about the future of the boat ramp and beach.

SH replied this will remain with Sydney Ports. At the boat ramp the southern pontoon is being moved further south with construction works underway on this. There are signage and flyers advising boat users of the works. The goal is to complete this by mid September.

Action: Sydney Ports to send Maritime the approval for boat ramp modifications.

At Foreshore Beach there is more erosion than anticipated with Sydney Water drains exacerbating this. Sydney Ports wanted to move these drains as part of construction but were unable to obtain Sydney Water's consent. They are blocking with sand. A detailed study of the beach suggested a number of works costing around \$3m including two rock groynes. Proposals have been sent to Sydney Water.

LN asked that user friendly groynes be considered. They will take out public space on the beach with little beach left as it is. People walking along the beach will have to climb over them. She asked that community have input into groynes that they can use.

SH will take that feedback on notice.

PP asked whether the NLG can see the modelling.

SH said it will be made available as part of the approval process.

JB noted there are other alternatives which he has suggested in the past and which may work better. This is to have stormwater pipes diverted into the Millstream outlet, relocate pipes through Banksia Reserve to the Millpond. He noted litigation from warehouse and other business owners as a result of damage caused to their properties by water.

SH replied that pipes would be integrated into the groynes.

PP asked whether the NLG could look at what is proposed.

Action: Sydney Ports to provide the NLG with designs for proposals on Foreshore Beach.



#### BLB2

SH reported construction of BLB2 is due for completion by the end of the year with tenants' infrastructure due for completion in the middle of next year.

#### **Truck Marshalling Area**

The Truck Marshalling Area opened on June 25 with detailed monitoring of numbers showing significant use during the week. Drivers risk fines if they park on port roads. LN asked whether there had been any conflict with buses. SH replied there hadn't been. CS reported monitoring at the cemetery includes pre- and post-operational air and noise monitoring.

LN asked about pollution on headstones. CS said carbon deposits in dust are being monitored.

LN asked whether Sydney Ports would remain the consent authority on the truck marshalling yard.

SH replied it won't. Sydney Ports will have no consent controls over land.

JB expressed concern that Molineaux Point will be part of the new lease. This could change uses at Molineaux Point Park. He is concerned that if a private company has control community access could be closed.

KP asked whether air monitoring results from the cemetery will be made public. SH replied they will be provided to the Cemetery Trust and the NLG.

LN suggested they be sent to the EPA for interpretation. GS agreed this could be done. **Action:** Air monitoring results from the cemetery to be provided to the NLG as well as the Cemetery Trust, and be forwarded to the EPA for interpretation.

#### Sydney Ports development assessments and approvals

CS reported approvals currently being assessed include Terminals weighbridge relocation, Terminals new office building, and Patricks request to install two new quay cranes. Notification of intention has been given for a Vopak import export pipeline and a temporary carpark for the bitumen plant construction, but no formal applications have yet been received. Sydney Ports is obtaining approval for drainage works at 9 Bumborah Point Road.

Approval has been received for the boat ramp works. Caltex has a Part 4 application for a diesel refuelling facility. This application goes to Council. SH noted this will eliminate the need for trucks to go to Botany Rd to refuel.

#### **Update on Tenant developments**

RB reported that Origin Energy is installing new gauges in tanks and has completed four of 14. They are also installing a vapour recovery system. Tank testing has been done, and an independent check of valves and flanges has been completed.

NB reported that the Vopak office building at Site B is complete, allowing improved traffic movement. Construction of the bitumen storage facility at Site A terminal will start this week. Three tanks are due for completion next year.

SH reported that with the two refineries closing, bitumen would be imported through the BLB.

SL reported that Roads and Maritime Services has submitted a proposal for a radar system on the pedestrian footbridge to monitor over height trucks. A copy will be sent to



Sydney Ports.

PP raised the need for a bike path at the back of the port linking Botany people to Yarra Bay. He notes the missing link is dangerous.

KP asked whether speed monitoring occurs on Foreshore Road and Botany Road. SH replied that police regularly monitor Foreshore Road.

PM noted Caltex has no new developments to report. The upgrade on the Bunker Berth at Brotherson Dock is nearly complete and the new barge is operating. PP asked if there was any impact of refinery closure on Caltex moving bulk liquids to Kurnell.

SH replied there is no impact on existing usage.

GS reported the EPA responded to several incidents on the DP World terminal regarding leaking containers over the last few months. The EPA was now working on getting DP World licensed. They have agreed they have reached the threshold regarding hazardous material.

SB reported he would take notes from tonight's meeting around traffic and emergency response back to Superintendent Karen McCarthy.

JB noted that Dent St is currently on the cusp of the hazard zone. With the expansion, and the proposed extended capacity of port, a review of the hazard zone may put Dent Street within the zone.

KA reported that with local government elections on September 8<sup>th</sup>, Council briefings will occur in September and October. She will bring back to the NLG any issues arising.

LF reported meetings with Patricks on Friday around plans for the new quay cranes and a transition to automated straddles. Robotic straddles use GPS tracking and no human beings, so she expects there will be no beepers associated with these.

#### 7. Update on noise issues

CS reported no further developments regarding tenants' implementation of new reversing alarms. There has been an increased number of noise complaints to the EPA over the last three months and Sydney Ports has requested tenants look at the issue. KP reported she had shared a <a href="http://www.youtube.com/watch?v=psWBaxtK19g">http://www.youtube.com/watch?v=psWBaxtK19g</a> of a white noise broadband alarm. She has been trying to identify a constant noise which is likely to be port related as it is outside normal working hours. She also raised this issue of a high wind alarm sounding all weekend, including night.

SH reported that the port closed Friday afternoon till Sunday due to high winds. The alarm sounds at 40 knots. There should be the ability to accept the alarm and then have a flashing light only. Sydney Ports will follow this up with stevedores.

Action: Sydney Ports to follow up with stevedores the issue of the wind alarm sounding all weekend.

PP asked what affect the high wind has on high stacks of empty containers. SH replied that stacks are a mixture of full and empty containers. They are supposed to be tiered to reduce wind impacts. It is rare for a full container to blow over, though empty ones can.



LF reported a container at Chullora had blown over on the weekend. Containers are stacked in the direction that takes into account prominent wind patterns. In western sites they are weighed down at the corners.

#### 8. Safety and Environmental Incidents and Emergency Exercises

CS noted a total of 20 environmental reports to Harbour Control since the last meeting, of which 3 were from community members. There were 8 air quality reports, 2 noise complaints, 5 container/tanker incidents, 3 water pollution reports and 2 reports of small fires.

KP reported a rude and disrespectful response from Harbour Control when she rang to report noise from a ships engine.

SH replied they are schooled to be empathetic and pass on the complaint. Sydney Ports will follow this up.

Action: Sydney Ports to follow up a reported rude response from Harbour Control to a complaint.

Constable Jake Billet's thanks were conveyed to members for feedback around NSW Police's emergency response plans.

LN asked for an update from tenants on the Major Hazard Facility presentations. **Action:** Follow up to be provided to the NLG from the Major Hazard Facility presentations, by Workcover and tenants.

#### 9. Other Matters/next meeting

LN asked about Sydney Ports' climate change risk assessment and mitigation factors in relation to ports. She also asked whether a facebook page could be used for port wildlife updates.

SH reported that Sydney Ports has carried out a climate change risk assessment. **Action:** Sydney Ports to provide the climate change assessment to LN.

CA reported that a letter from Wollongong Council rejecting plans for sea level rise mitigation.

AK reported Sydney Ports is seeking community feedback as part of a review of their Pesticide Notification Plan. It includes information around baiting rabbits and foxes. It will be circulated to community members for feedback.

SH reported a program to trap and remove the feral cat colony at Molineux Point had created issues with some members of the community who feed them. There has been ongoing dialogue with them and they were given two months to trap, move and rehabilitate the cats. This expired over the weekend. They have requested a further one month extension which has been granted. There are health and wildlife issues at stake. LN regards this as a major environmental issue and has written to Council up to four years ago in support of the feral animal control program.

SH asked that NLG members consider whether the committee membership is at appropriate numbers. Nominations outlining a nominee's connection to the community can be forwarded to CS. A new member would need to complete a nomination form.



KA suggested that arrangement for alternate's attendance at the NLG remain.

SL suggested more context is required regarding lifting the cap on TEU numbers. As it was a Condition of Consent it may be changed by way of an application, but it is unclear whether this can be done. It is not just a call of government but part of the legislative or planning process.

KA suggested legislation to override or modify Conditions of Consent may be required. There would be an assumption that this would be provided before the bidding process. Bidders would want certainty.

SH responded that the cap hasn't been lifted, but that the Treasurer has made an announcement that the cap would be removed. The necessary process is still being determined by government.

LN suggested the government was ignorant of the processes. She referred NLG members to <u>www.portbotany.wordpress.com</u>.

LF asked with three potential sites would there be three landlords or one? Workcover needs to know who to talk to regarding hazardous goods.

SH replied that it is likely to be one, but no changes are likely until May 2013.

PP asked who would be responsible for paving the bike trail. There is no paving either side of Botany Road. It is a missing link for bike riders.

KA reported that there is no current proposal for this. It is in the Bike Plan but requests are put in each year. She suggests a submission be made in April for the Council budget cycle.

#### Date of next meeting 5.30pm Tuesday 20 November 2012

These minutes have been endorsed by the meeting Chair

Signed

Date