

# Mooney Mooney & Cheero Point Sewerage Update

**MARCH 2006**

**This newsletter is being issued by Gosford City Council to inform residents of progress in providing sewerage to Mooney Mooney and Cheero Point.**

## **IPART Determination of Cost Sharing**

The Independent Pricing and Regulatory Tribunal (IPART) regulates the costs Council charges for water and sewerage services. This includes pricing to provide customers with a sewerage system where one does not exist, as is the case at Mooney Mooney and Cheero Point (known as “backlog” areas).

In 1997, IPART released Determination 4.2, which required Council to recover the full cost of providing new sewerage services to customers, less any subsidies available from the NSW Government.

This determination has been used by Council to date to report estimated costs of new services to residents.

## **IPART Review**

IPART recently carried out a review of Determination 4.2, 1997. They released a new ruling Determination 1, 2006 on 9 February 2006 for Pricing of Backlog Sewerage Services for Gosford City Council.

This now replaces the previous determination and sets a different method for calculating costs to property owners when providing sewerage services in “backlog” areas.

The residential areas within Mooney Mooney and Cheero Point are classified as Priority Sewerage Program (PSP) properties, as defined by the new determination.

The method in which costs are now calculated for these areas is as follows:

- A PSP property owner pays an initial fixed charge to a maximum of \$5,400 which is indexed annually by CPI.
- An additional amount is also payable by a PSP property owner, on top of the initial fixed charge. This amount is 67% of the remaining scheme cost, less any subsidies available, divided by the number of PSP properties.
- The other 33% of remaining scheme costs are spread across all other property owners in Gosford City (i.e. the existing Gosford Council ratepayer base).
- As is the case normally, PSP property owners are still required to pay for any sewer connection fees and plumbing costs to connect to the sewerage system.

There are a number of other changes in the new IPART determination that Council will need to review in order to understand the full effect of the new determination. A revised estimate of costs will be given to residents after the new determination has been examined in detail. The new determination can be viewed on IPART's website at [www.ipart.nsw.gov.au](http://www.ipart.nsw.gov.au).

## **Other Agreements**

As part of the formalisation of the sewerage scheme, Council will be entering into agreements with Sydney Water Corporation (SWC) and the Department of Ageing Disability and Home Care (DADHC) who are responsible for the Peat Island Hospital and associated facilities.

Council has reached agreement in principle with SWC on issues relating to ownership, delivery, operation and cost sharing of the joint scheme. Details of these agreements are yet to be finalised and will be dependent on formal advice from SWC in relation to costs and other matters.

Council is also negotiating formal funding agreements with DADHC and other contributors outside the residential area. These negotiations will influence the final cost of the Mooney Mooney and Cheero Point sewerage scheme.

## Project Manager

Council has engaged consultants Ellis Karm & Associates to manage preconstruction activity for the delivery of the scheme. They will assist Council in relation to the sewage collection system on the north side of the Hawkesbury River and the transfer system to deliver sewage to the proposed treatment plant being built by Sydney Water Corporation at Brooklyn.

This work includes completing investigations and determining the preferred layout, as well as arranging for environmental assessment, geotechnical work, preparation of designs and tender documentation. Residents will be regularly advised about any site works occurring in the community.

## Geotech Investigations

Parsons Brinkerhoff Pty Ltd have been appointed to undertake geotechnical engineering work for the project. Representatives will be investigating local ground conditions to determine any effects on the construction and service life of the sewerage system.

They are due to commence work on 27th March 2006 for about two weeks, depending on weather. The company will select about 50 sites in order to excavate small pits or boreholes (no more than 3m deep).

The majority of sites will be located on public land within road reserves. About five sites are needed within private properties. Household owners at these preferred investigation locations will be contacted directly by representatives from Parsons Brinkerhoff.

Gosford City Council would like to urge the co-operation of local residents as any work undertaken on private land will be restored immediately.

Utility services, such as water and phone cabling, will also be marked out by an expert subcontractor prior to any excavation.

If any damage should occur to a utility, despite precautions taken, Parsons Brinkerhoff will arrange immediate repairs.

They will also attempt to restore all public excavation sites immediately. If any are required to be left open for a day or two, the site will be clearly marked and protected.

Partial road closures may also be required at some locations when workers are on site, due to narrow road widths, so traffic control may be necessary at these sites.

Some investigations may also damage bitumen seal in road shoulders. In these cases, resealing will be undertaken by Council staff after work has been completed in the area.

## Project Timeline

The dates used in this timeline are estimates only and will be revised as the project progresses.

**NOW to OCT 2006** - Preconstruction work, including obtaining approvals and agreements

**OCT to DEC 2006** - Call for tenders to complete work.

**DEC 2006** - Start construction, this phase is expected to take at least 12 to 18 months.

**EARLY 2008** - Commence sewerage connections.

The calling of tenders and commencement of construction will be dependant upon the Government providing the expected funding from the Country Towns Water & Sewerage Program and the Priority Sewerage Program.

The date for allowing connections to the new scheme is also dependent on the completion of the sewage treatment plant at Brooklyn by Sydney Water Corporation.

## Further Information

If you require further information please contact Paul Jupp on 4325 8919 or Pam McCann on 4325 8337.