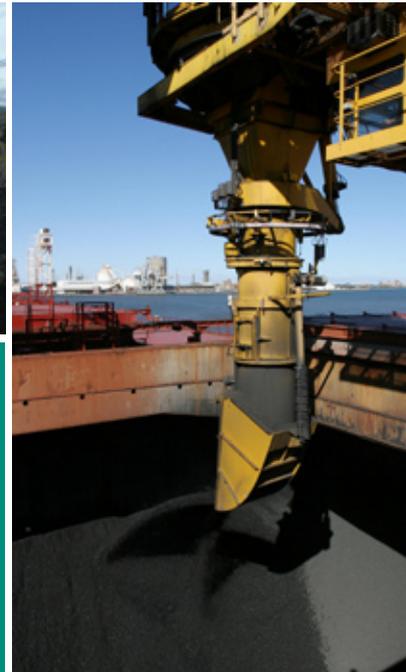


# Annual Report 2005/2006



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Ron Robson –  
RLMC Chairman

## Highlights

- Allocated 140 ha of Kooragang Island site for a third coal loader at the Port of Newcastle.
- Work commenced, after regulator approval, on a \$110M remediation strategy for Mayfield (former Newcastle Steelworks) site.
- Master plan to guide development for Mayfield site completed ahead of marketing the site.
- Further consultation and studies regarding the future use of the Tomago and West Wallsend sites has determined the need for a balance of environmental protection and employment generating development.
- Raised \$6.2M in revenue from leasing of buildings and sites, providing an operating surplus for non-remediation activities.

Regional Land Management Corporation (RLMC) was established in 2003 by the NSW Government to manage more than 3,500 hectares of former BHP and other state owned lands in the Hunter.

RLMC is a subsidiary of Hunter Water Corporation with its own Board. In November 2004 the Cabinet Standing Committee on Budget extended RLMC's operating term to until 30 June 2008.

Its task is to make land on four sites ready for a new era of sustainable, private sector development.

### RLMC sites

■ Kooragang Island .....	1,300ha
■ Mayfield (former Steelworks)... ..	150ha
■ Tomago .....	545ha
■ West Wallsend .....	1,545ha
<b>Total .....</b>	<b>3,540 ha</b>

### RLMC has three main tasks.

1. Strategic, sustainable land development and marketing
2. Site remediation
3. Day to day property management.

RLMC is making opportunities available that are attractive to the private sector and in the interests of the people of the Hunter and NSW.

There needs to be a balance between the need for land allocation that generates investment, jobs and prosperity with land allocation for environmental protection.

Development and marketing strategies are being designed so that they can adapt to industry needs.

The focus of RLMC this year has been on commencing remediation works at the Mayfield site, master planning that site as well as land allocation at the Kooragang Island site.

## Land Development and Marketing

### Third coal loader for Kooragang Island

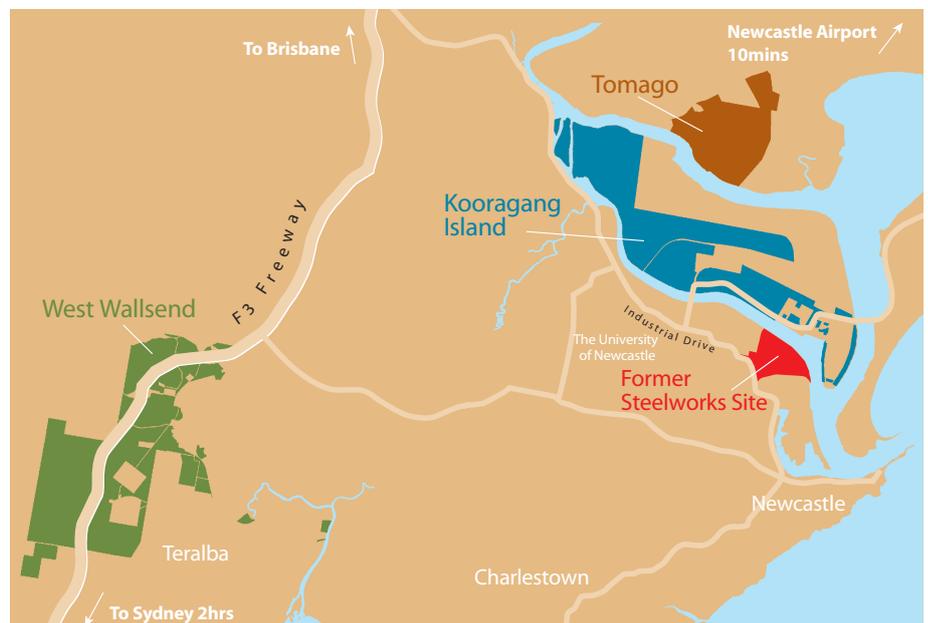
Following an extensive expression of interest process RLMC allocated almost 140 ha of land for additional coal loading facilities at the Port of Newcastle.

In August 2005 RLMC signed an Agreement For Lease with Newcastle Coal Infrastructure Group (NCIG).

The consortia of major mining companies is currently seeking the required planning and environmental approvals for its proposal to build a facility with two additional coal loading berths next to Port Waratah Coal Services' existing coal loader.



140ha of land has been allocated for a third coal loader at the Port of Newcastle.



RLMC manages four sites totaling more than 3,500 hectares.

Once the necessary approvals have been obtained, NCIG will be able to take up a 35 year lease for this site.

The facility will have the initial capacity to boost coal exports through the Port of Newcastle by 30 million tonnes per year.

RLMC has also been negotiating with a number of companies wishing to establish port related industry on other vacant industrial land on Kooragang Island.

### **Mayfield (former Newcastle Steelworks) Site**

With remediation works commencing on the Mayfield site, RLMC has turned its attention to detailed master planning of the site. The planning is essential work to complete prior to the marketing of the site.

A master plan has been created to set down the preferred port and industrial uses and to guide development. The plan includes site servicing strategies and the identification of infrastructure requirements.

With two kilometres of river frontage this site is ideal for a range of port related industry. It is one of the most strategic and valuable sites on the East Coast of Australia.

### **Tomago and West Wallsend**

Further planning and consultation work carried out this year by RLMC has determined that a balanced approach between environmental protection and development of employment lands is required at both the Tomago and West Wallsend sites.

The location of these sites and their proximity to transport links provides tremendous opportunity for a range of employment generating uses.

At Tomago there has been industrial developer interest in the site because of its proximity to the airport, port, Pacific Highway and an existing industrial precinct.

To balance this development, initial RLMC planning envisages more than 200 ha of the site being set aside for environmental protection and enhancement.

The West Wallsend site has the potential to help address the shortage

of employment zoned land in Lake Macquarie as well as to be used for residential development.

Land at this site will also be set aside for environmental protection. Vegetation corridors will be preserved and there are no plans to develop more than 700 ha of land west of the F3 Freeway.

The 20 year regional planning strategy, The Lower Hunter Strategy, being developed by the Department of Planning will influence the type of development on these sites. RLMC has made a detailed submission on the draft plan. Further detailed planning will be possible once that strategy has been determined.

## **Land Remediation**

### **\$110M remediation of Mayfield site**



Work has started on the \$110M remediation of the Mayfield site.

In May 2006, construction commenced at the Mayfield site on the Hunter's largest ever industrial site remediation project.

Expert contractors, Austress Menard, are constructing a 1.4km long underground barrier wall around 30 ha section of the site designed to contain contamination arising from former steelmaking operations.

This work is the first part of a series of works contained in the NSW Government's \$110M remediation plan for the site.

This year tenders were also called for the demolition of the remaining concrete foundations on the site. Expressions of interest were also called to create a shortlist of tenders for the construction of new drainage as well as the capping and contouring of the most contaminated (30 ha) section of the site.

All of these first stage remediation works will be underway by early 2007 as planned.

The Department of Environment and Conservation (DEC) approved the remediation strategy in September 2005. RLMC and DEC signed a Voluntary Remediation

Agreement in September 2005 through which the remediation will be monitored.

The works will be monitored by several Government agencies. Conditions of consent have been set by the Department of Planning. An Environmental Management Plan, detailing required environmental impact monitoring, is also in place.

The remainder of the site will be capped and contoured in line with development. Under the agreement, all work is to be completed by 2012.

### **Remediation of Hunter River**

BHP Billiton has responsibility for the removal as well as treatment, reuse and disposal of contaminated sediments from the South Arm of the Hunter River. Approval to proceed with this work was granted by the NSW Government in August 2005.

The removal of contaminated sediments and dredging will allow the extension of the shipping channels within the Port of Newcastle to accommodate new investment such as the third coal loader.

RLMC has made land available to BHP Billiton to allow it to undertake a trial of options for sediment treatment.

### **Kooragang Island remediation**

The former BHP Waste Emplacement Site is a solid waste landfill site licensed by the NSW Department of Environment and Conservation (DEC). RLMC has not accepted any waste at the site this year.

The landfill license requires RLMC to monitor and report on groundwater and surface water quality in the vicinity of the landfill at six monthly intervals to DEC.

Independent scientific analysis of these results found it unlikely that contaminants on this site represent a risk to the downstream environment.

This data has also been used to prepare an independent environmental risk assessment for site remediation.

Both environmental and development drivers are being used to refine plans for priority remediation works. Such works will be carried out in conjunction with development.

## Land and building management



RLMC manages more than 80 agreements for use of land. The majority of these are for land on the Kooragang Island and Mayfield sites. Agreements cover a wide range of uses including community and sporting purposes, residential, commercial, industrial, and state significant projects. Rental agreements raised \$6.2M in revenue this year. This result has enabled RLMC to achieve an operating surplus.

Zoning constraints have hampered leasing of some of the existing buildings on the Mayfield site. RLMC is reviewing those constraints in conjunction with relevant planning authorities. Property maintenance continues to be undertaken at all sites. Detailed safety inspections of wharves and sea walls, started this year, are being finalised. RLMC is also working with Police and tenants on Kooragang Island to deter speeding on the island's main road. The installation of traffic calming devices was completed in May, with RLMC funding.

## Protecting the environment

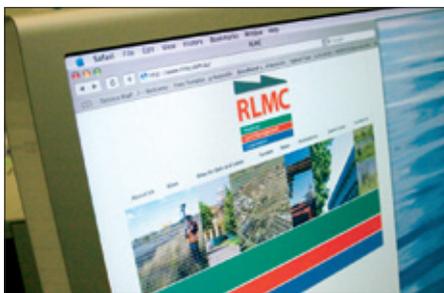


RLMC is helping to restore natural tidal inundation to part of the Tomago site

In addition to remediation works and allocation of land for environmental protection, RLMC has provided support to other important environmental projects.

RLMC is working with National Parks and Wildlife Service, Department of Environment and Conservation and other groups on a project to restore the natural tidal inundation to a portion of the Tomago site. RLMC contributed to the cost of clearing of drains. This year RLMC continued to provide land under licence to the Hunter-Central Rivers Catchment Management Authority for the Ash Island Wetland Rehabilitation Project.

## Community relations



The RLMC website is one way people can monitor our progress.

RLMC seeks to maintain positive and productive relations with other Government agencies, the communities surrounding its sites and the business community.

The RLMC website continues to be developed as one means of keeping people informed about the performance of RLMC. Other means include media releases, presentations and ongoing dialogue with the Mayfield Site Community Consultative Committee.

RLMC also sponsored the 2006 International Cities and Town Centres Conference held in Newcastle in June.

### Mayfield Community Consultative Committee (CCC)

RLMC provides support to the Community Consultative Committee (CCC) for its Mayfield site. The CCC is an important link between RLMC and the community. It provides two way information and feedback on issues associated with the environmental performance of site remediation, the construction and operation of new facilities and the implementation of development consent conditions.

The CCC met three times this year prior to remediation work commencing on the site. They provided valuable feedback on the communication plan for the remediation works.

### Mayfield CCC members:

- Mr Terence Mahony**  
Chairman
- Mr Ivor Davies**  
Community representative
- Mr John Di Gravio**  
Community representative
- Ms Patricia Flowers**  
Community representative
- Ms Alison Hutchinson**  
Community representative
- Ms Pat Keating**  
Community representative
- Mr Brad Foot**  
RLMC General Manager
- Mr Nathan Juchau**  
RLMC Environmental Manager

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