

GENERAL REPORTS

2 DECLARATION OF PROPOSED SPECIAL CHARGE SCHEME FOR CONSTRUCTION OF INFRASTRUCTURE TO SERVICE HILL, O'SULLIVAN AND PEET STREETS' INDUSTRIAL AREA, PAKENHAM

FILE REFERENCE INT1729616

RESPONSIBLE GENERAL MANAGER Michael Ellis

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RECOMMENDATION

That Council having considered the submissions as circulated, minutes and recommendations dated 11 April 2017 from the Committee of Councillors appointed to consider submissions pursuant Section 223 of the Local Government Act 1989 in relation to the proposed Hill, O'Sullivan and Peet Streets Industrial Area Special Charge Scheme:

1. Adopt the recommendations of that Committee as set out in Attachment 5 and advise the three submitters accordingly;
2. Refer the growing traffic congestion in Bald Hill Road for investigation and request VicRoads to expedite its planned improvements to Koo Wee Rup Road and the Bald Hill Road intersection;
3. Endorse the draft designs, estimates of cost and specifications generally describing the infrastructure services including sealed roads, intersections (including the Peet Street service road/intersection with Koo Wee Rup Road and the Bald Hill Road intersections with O'Sullivan and Hill Streets), kerb & channel, reticulated water and sewerage services, underground drainage, underground electricity, street lighting and telecommunications required to service land within the O'Sullivan - Hill - Peet Streets Industrial Area but excluding widening and kerb & channel in Bald Hill Road and footpaths all as set out in the estimate in Attachment 3 and authorise the General Manager Assets and Services to adjust those plans as necessary to facilitate construction of these works and services;
4. Confirm adoption of the proposed area of the scheme and method of apportionment set out in Attachments 2 and 4 respectively;
5. Declare a special charge in accordance with Section 163 of the Local Government Act, 1989 ('the Act') as follows:
 - a. A special charge is declared for a period until the works have been completed and the scheme finalised.
 - b. The special charge be declared for the purposes of defraying any expenses incurred by Council in relation to the construction, project management, administration, survey, review of engineering designs, land acquisition, authority approvals and charges for provision of infrastructure services to the properties enclosed by bold black line on the Plan including construction of:
 - i. Hill, O'Sullivan and Peet Streets and Koo Wee Rup Road service road and associated intersections including engineered fill, pavements, kerb & channel, underground drainage and seal;
 - ii. The Peet Street - Koo Wee Rup Road intersection to VicRoads design requirements;
 - iii. Drainage services compliant with Melbourne Water's Deep Creek South Drainage Scheme;
 - iv. Underground electricity supply;
 - v. Reticulated water supply and sewerage compliant with South East Water's servicing requirements;
 - vi. Reticulated gas and telecommunications supply infrastructure; and
 - vii. Associated ancillary works;

as described in Attachment 3 of this report, the works Council considers is, or will be of special benefit to those persons required to pay the special charge (and who are described in succeeding parts of this resolution);

- c. The special benefit accruing to those properties to be levied is considered to include:
 - i. Improved drainage including provision of legal points of discharge and lessened flooding of properties;
 - ii. Improved access including sealed all-weather access, lessened mud, dust, and potential vehicle damage;
 - iii. Improved access to utility services including electrical, water supply, sewerage services and / or communications;
 - iv. Increased subdivisional and development opportunity for all properties to be levied;
- d. The following be specified as the area for which the special charge is declared;
 - i. all those properties described in Attachment 4 of this report and shown enclosed by the bold black line on the attached Plan. (Attachment 2 of this report).
- e. The following be specified as the land in relation to which the special charge is so declared;
 - i. all properties described in Attachment 4 of this declaration.
- f. The following be specified as the criteria which form the basis of the special charge so declared;
 - i. those properties fronting, abutting, adjacent or capable of being serviced by the works;
- g. The following be specified as the manner in which the special charge so declared will be assessed and levied;
 - i. Costs for each property shall be apportioned on the basis of:
 - The relative development potential considered to be released by this scheme proceeding comprising a factor of 1.0 where a property is considered to be already sufficiently serviced with road access, water, sewerage and electrical services to be developed in isolation or a factor of 2.0 where that is considered not to be the case;
 - The estimated cost attributable to the construction of each type of infrastructure;
 - The extent to which each property is considered to be serviced by each type of new infrastructure;
 - The area of each property;
 - The 'apportionable length of abuttal' to the new road comprising length of frontage and rear abuttal and 30% of any side abuttal;
 - ii. With the cost of providing each type of infrastructure being distributed to the relevant properties in proportion to:
 - Road Construction – the estimated construction cost apportioned 20% in proportion to area and 80% in proportion to the apportionable length of abuttal with the area and apportionable length of abuttal weighted by the relevant development potential factor;
 - Water Supply, Sewerage, Electrical and Communications Services – the estimated cost of providing each service being separately distributed in proportion to the area of each lot deemed to benefit from that service weighted by the relevant development potential factor;
 - Drainage – the estimated construction and outfall fee costs being distributed 80% in proportion to the sum of the approximate area of the lot receiving discharge benefits and approximate area of the lot receiving protection benefits from the works and 20% in proportion to the area of lots attracting a development potential factor of 2.0 units but subject to exemption for those portions of properties that have previously paid the full Melbourne Water Corporation levy toward the Deep Creek South Drainage Scheme;
 - iii. the special charge will be levied by sending a notice to the person who is liable to pay, pursuant to section 163 (4) of the Local Government Act 1989.
- h. The total cost of the works is the amount shown in Attachment 3 of this report estimated at \$10,298,823.95.
- i. The total amount of the special charge to be levied is the amount shown in Attachment 4 of this report estimated at \$10,298,823.95.
- j. Having regard to the preceding parts of this resolution but subject to Sections 166 (1) and 167(6) of the Local Government Act 1989, it be recorded that;

- i. the owners of the land described in columns 1, 2 and 3 of the table in Attachment 4 are estimated liable for the respective amounts set out in column 4 of the table; and
 - ii. such owners may, subject to any further resolution of Council pay the special charge in the following manner:
 - The charge will become due and payable within one month of the issue of the notice requesting payment pursuant to Section 167 (3) of the Local Government Act 1989.
 - The charge may be paid by:
 - lump sum within one month after the issue of the notice without incurring interest, or
 - instalments of principal and interest over a period of four years comprising:
 - Year 1 – Four equal quarterly instalments of principal and interest calculated to repay 70% of the special charge including accumulated interest;
 - Years 2 to 4 – Quarterly instalments of principal and interest to repay the outstanding balance;
 - Interest will not be charged for three months after the issue of the notice provided the person liable makes timely payment in accordance with the repayment arrangements that may be agreed on by Council.
 - In accordance with Sections 167(6)(b) and 172 of the Act, the rate of interest which is payable on instalments is set at the 180 day dealer bill rate as published in the Australian Financial Review plus 3.3 percent which is considered to be equal to Council's borrowing rate plus one percent and reviewed every three months (provided that it shall not exceed the rate fixed by the Governor in Council by Order for the purposes of Section 172 (2A) in which case the rate of interest shall be the maximum rate fixed by the Governor in Council by Order for the purposes of this section).
 - k. There are no incentives for prompt payment, rebates or concessions associated with this special charge; and
6. Authorise the General Manager Assets and Services to acquire the required land including easements as necessary to enable construction of the works as set out in the endorsed plans as may be adjusted to facilitate construction of these works and services

Attachments

1	Process chart	1 Page
2	Plan of scheme area	1 Page
3	Estimate of cost and description of works	2 Pages
4	Apportionment table	1 Page
5	Confidential minutes and recommendations of Committee of Councillors circulated to councillors only	2 Pages
6	Letters of objections circulated to councillors only	5 Pages

EXECUTIVE SUMMARY

This report seeks to have a Special Charge Scheme declared to fund construction of infrastructure to service the O'Sullivan – Hill – Peet Streets Industrial Area, Pakenham (refer Attachment 1 and Attachment 2) In general terms this infrastructure includes construction of Hill, O'Sullivan and Peet Streets and the Peet Street / Koo Wee Rup Road intersection and service road to industrial standards, and underground drainage, underground electricity, water, sewerage and communications infrastructure to service this old partly serviced estate.

This Scheme follows the Design Scheme reaching the stage where plans and estimates of cost are sufficiently developed to enable the Construction Scheme to be prepared. The design scheme remains to be finalised once the plans and approvals are completed ready for construction. Plans and approvals cannot be finalised until immediately prior to construction.

Much of this estate remains undeveloped and is beyond the ability of the existing landowners to coordinate its development. Landowners have requested Council to facilitate its development via a special charge scheme so costs are fairly shared. The scheme provides for landowners to meet the full cost consistent with other commercial developments.

The total project cost is estimated to be \$10,298,823.95. It is intended individual properties only contribute to infrastructure from which they will directly benefit. It is proposed to distribute costs for each service across the properties deemed to benefit by provision of that service, generally on the basis of relative area. A weighting is also proposed to reflect the additional benefit received by those properties that are otherwise very difficult to develop (and are presently undeveloped).

Proposed contributions range from \$410 for those few properties only receiving access to upgraded telecommunications services to \$1.882 million for the largest property that currently has no services or access. These larger properties are owned by 'developers' wishing to develop and subdivide their land as a commercial venture but are currently not able to proceed because it is not viable to do so individually. Attachment 3 sets out the proposed contributions for each property.

Four separate meetings were held and a land owner survey was conducted in April 2016 prior to commencing the statutory consultation process to implement a special charge scheme to construct the works. Survey responses yielded a reasonable level of support with owners of 20 of the 32 individual titles, responsible for approximately 90% of the project cost, supporting construction of the works.

Three objections and submissions were received in response to Council's statutory notice of intention to declare the special charge relating to 9 of the 37 affected rateable properties. These 9 properties would be responsible for 2.9% of the scheme levy and comprise 7.5% of the affected land area.

The appointed Committee of Councillors has considered all three submissions noting that objections were received from less than 50% of rateable properties proposed to be levied so that the scheme may therefore proceed. In short, the submissions alleged the distribution of costs are unfair, some properties will not receive special benefit, Council should contribute as they believe the works will provide community benefit, they have already provided services so should not be levied and contributions would be better sought via developer levies. The Committee has considered all three submissions and the issues raised in them and considers the scheme to be fairly structured and compliant with the legislative requirements. It should therefore proceed without modification.

This report concludes Council may proceed to implement the special charge scheme to fund construction of infrastructure to service the Hill, O'Sullivan and Peet Streets Industrial Area and declare the special charge.

BACKGROUND

The purpose of this report is to declare a special charge to fully fund construction of infrastructure to service the O'Sullivan – Hill – Peet Streets Industrial Area, Pakenham as shown on the Plan in Attachment 2. This is an old estate subdivided prior to subdividers being required to provide basic services and much of the estate remains without trafficable roads and constructed drains, electricity, water supply and sewerage infrastructure rendering the land virtually incapable of being used.

Ownership of the land is considered too fragmented for any one land owner to properly coordinate development of the area. The high costs of providing services by the first landowner to develop

their land and the free ride afforded to later adjoining property owners has and continues to stymie development of the area.

Consequently, several of the landowners requested Council employ its Special Rate and Charge powers to co-ordinate construction and fairly distribute the cost of these essential infrastructure works between all benefiting landowners on an equitable basis.

In view of the significant up-front cost to prepare designs and cost estimates, Council resolved to approach this project via two Special Charge Schemes comprising:

- Scheme 1 – To prepare designs, specifications and estimates of cost to fully service the area; and
- Scheme 2 – A subsequent scheme to construct the infrastructure to service the area.

The first scheme is sufficiently progressed to provide adequate design plans, specifications and estimates of cost enabling the second scheme to be prepared and presented. The first scheme cannot be finalised as the plans, specifications and agreements involving the service authorities cannot be finalised more than 2-3 months before construction commences. This is because service authority approvals will lapse. It is therefore proposed to finalise the first scheme closer to the time of construction and when plans, specifications and public authority agreements are finalised.

The scheme encompasses an area of 32.7 ha of industrial land containing 32 titles comprising 37 rateable properties. Works comprise construction of Hill, O'Sullivan and Peet Streets together with servicing infrastructure as shown within the bold black line on the Plan in Attachment 2 including sealed roads, intersections, kerb & channel, reticulated water and sewerage services, underground drainage, underground electricity, street lighting and telecommunications. The estimated cost of constructing this infrastructure is \$10,298,823.95.

A special charge may be levied on properties deriving 'special benefit' from proposed works to offset those costs. Many of these properties are already partly supplied with these services however none are fully serviced. These properties will receive varying degrees of special benefit from the supply of additional services. In accordance with principles established by VCAT, it is also not necessary for these property owners to avail themselves of the 'special benefit' to be deemed to be in receipt of it.

In the case of Scheme 2 (construction scheme), it is considered that these properties will receive special benefit to varying degrees including special benefit in terms of:

- Provision of sealed all-weather access or improved access to the land including dust and mud reduction;
- Improved access including additional alternative access to and from Koo Wee Rup Road;
- Provision of reticulated water supply and / or sewerage services or improved access to those services;
- Access to or improved access to the electricity supply grid via an underground high voltage and low voltage supply and associated amenity benefits;
- Provision of street lighting and associated security and access improvements;
- Provision of proper drainage providing improved protection from flooding and / or ability to legally concentrate drainage discharges within approved limits without risk of litigation;
- Exemption from further contributions to Melbourne Water Corporation's Deep Creek South Drainage Scheme in the event of further development of the site;
- Provision of access to broadband telecommunications infrastructure (National Broadband Network);
- Provision of all services (reticulated water, sewerage, electricity and communications infrastructure, outfall and local drainage and fully constructed sealed roads) at more economical cost as part of a group scheme than if undertaken individually by any one landowner; and

- Improved amenity, economic development opportunities and property values.
- Contributions for the works have been assessed on a service by service basis. This involved the estimated costs of constructing each proposed infrastructure service (i.e. road, drainage, water, sewerage, electricity and telecommunications...etc.) being distributed between the properties receiving benefit, apportioned on the basis of area and weighted by a factor reflecting the improved development potential realised if this scheme proceeds. Consequently, contributions vary considerably depending on what services individual properties derive a benefit from, the property's size/portion of the property benefitting and its ease and ability to be developed separate to this scheme (it is not viable to develop some properties in isolation to this scheme due to the high initial cost of bringing services in). Apportioned costs are set out in Attachment 4 - Apportionment Table together with a more detailed description of the apportionment methodology applied for each service provided to each property.

Council resolved to give notice of its intention to declare the special charge for scheme 2 (construction scheme) at its 21 February 2017 to commence the statutory process. Notices were subsequently issued to all affected landowners and ratepayers resulting in three submissions and objections as follows:

	Objections and Submissions	Total No	% Objecting
Titles	3	32	9.7%
Rateable Properties	9	39	23.1
Special Charge	\$303,000	\$10,298,823.95	2.9%
Proportion of Area	2.46 ha	32.66 ha	7.5%

This report deals with those submissions and objections received through the formal consultation process and seeks to have Council declare the special charge to fund construction of infrastructure to service the O'Sullivan - Hill - Peet Street Industrial Area.

POLICY IMPLICATIONS

The proposed scheme has been developed in accordance with the provisions of the Local Government Act 1989, Cardinia Shire Council's Special Rate and Charge Scheme Policy and 5 year Special Rate and Charge Scheme Program which is based on community benefit, health, safety, amenity and landowner support.

In particular, this scheme is premised on installation of underground electricity in accordance with Council's policy for servicing of new industrial estates and provides for the full cost of this infrastructure to be met by the benefitting landowners. This reflects the commercial nature of the developments being serviced by this infrastructure and Council's policies providing for developers to meet the full cost of servicing their developments.

RELEVANCE TO COUNCIL PLAN

Development of Special Rate and Charge Schemes directly relates to the Council Plan goal of increasing the use of these schemes to finance road and drainage improvement programs. Additionally, the proposed special charge schemes for design and construction of infrastructure to service the O'Sullivan Road, Hill Street and Peet Street industrial area in Pakenham is referred to as a specific goal.

The O'Sullivan - Hill - Peet Street Industrial Area Special Charge Scheme No. 2 for construction of the required infrastructure is listed on the current Special Rate and Charge Scheme program with the anticipated commencement being in the 2017/2018 financial year.

CONSULTATION/COMMUNICATION

Questionnaire / surveys and meetings of landowners were conducted in 2007, 2008, 2010 and 2011 in the lead up to the design scheme. The formal consultation process to establish the design scheme was also conducted involving notification of landowners and seeking of submissions and objections.

During the design process, a further four landowner meetings were conducted and at least five letters were issued advising of progress and enclosing a survey of affected landowners to assess the levels of interest/support for the proposed construction scheme. This survey letter provided preliminary estimates of apportioned costs to individual landowners and led to modification of the proposed works and distribution of costs. At that time owners of 20 of the 32 individual titles, responsible for approximately 90% of the project cost, supported construction of the works.

Notice of intention to declare the special charge to construct the works was issued in March 2017 resulting in 3 objections and submissions with respect to 9 of the 37 affected rateable properties. These 9 properties are responsible for 2.9% of the proposed scheme levy and comprise 7.5% of the affected land area.

As objections from fewer than 50% of affected rateable properties, there is no impediment to Council proceeding to declare the special charge.

The 3 submissions were considered by Council's appointed Committee of Councillors. Key issues raised in submissions were that the distribution of costs is unfair, some properties will not receive special benefit, Council should contribute as the works will provide community benefit and Council will receive additional rate revenue through development of the area, some landowners have already provided services so should not be levied and contributions would be better sought via developer levies.

The Committee has considered all three submissions (Attachment 6,7 and 8) and the issues raised in them and considers the scheme to be fairly structured and compliant with the legislative requirements as set out in Attachment 5 - Minutes and Recommendations of Committee of Councillors. In particular, all properties will receive special benefit notwithstanding the fact that several owners may choose not to avail themselves of that benefit. The cost distribution includes a weighting toward the undeveloped land which is considered to receive proportionately greater benefit from the proposed works. Landowners are only being levied for works that will provide additional benefit to their property.

One submission pointed out the current traffic issues on Bald Hill Road and that increased traffic as result of the works will further exacerbate the situation. Traffic issues in Bald Hill and Koo Wee Rup Roads are a growing issue associated with development of the wider area and a contributing reason for removal of proposed kerb & channel works in Bald Hill Road from the scheme. It is considered likely Bald Hill Road will require widening in the future leading to destruction of any new kerb and channel in Bald Hill Road. Widening will require further traffic management studies and is beyond the scope of this scheme. That is not considered sufficient reason to curtail development of this estate when most of the cause is associated with development of other land in the region.

The Committee concluded the scheme should proceed without modification and submitters be advised of its recommendations with respect to the issues raised. Landowners dissatisfied with Council's decision may seek a further review before VCAT.

FINANCIAL AND RESOURCE IMPLICATIONS

The estimated total project cost is \$10,298,824 wholly recoverable from the benefitting property owners as set out in the table in Attachment 4 - Apportionment Table.

As the project relates to capital works, Council is required to provide a plan whereby those levied may pay by instalments of principal and interest over at least four years. It is intended to have the major contributors responsible for most of the cost pay their contributions 'up front'. Additionally, the terms of the payment option, if requested, will be structured to reasonably match outgoing cash flows during the construction phase so that 70% of landowner's contributions are collected in the first year with the balance including interest repayable over the following three years. The interest rate provided for in the legislation is generally less attractive than if the landowners arrange their own financing.

The hardship provisions of Council's Special Rates and Charges Policy provide for assistance to adversely affected persons who can demonstrate genuine hardship as a result of levying a special charge.

CONCLUSION

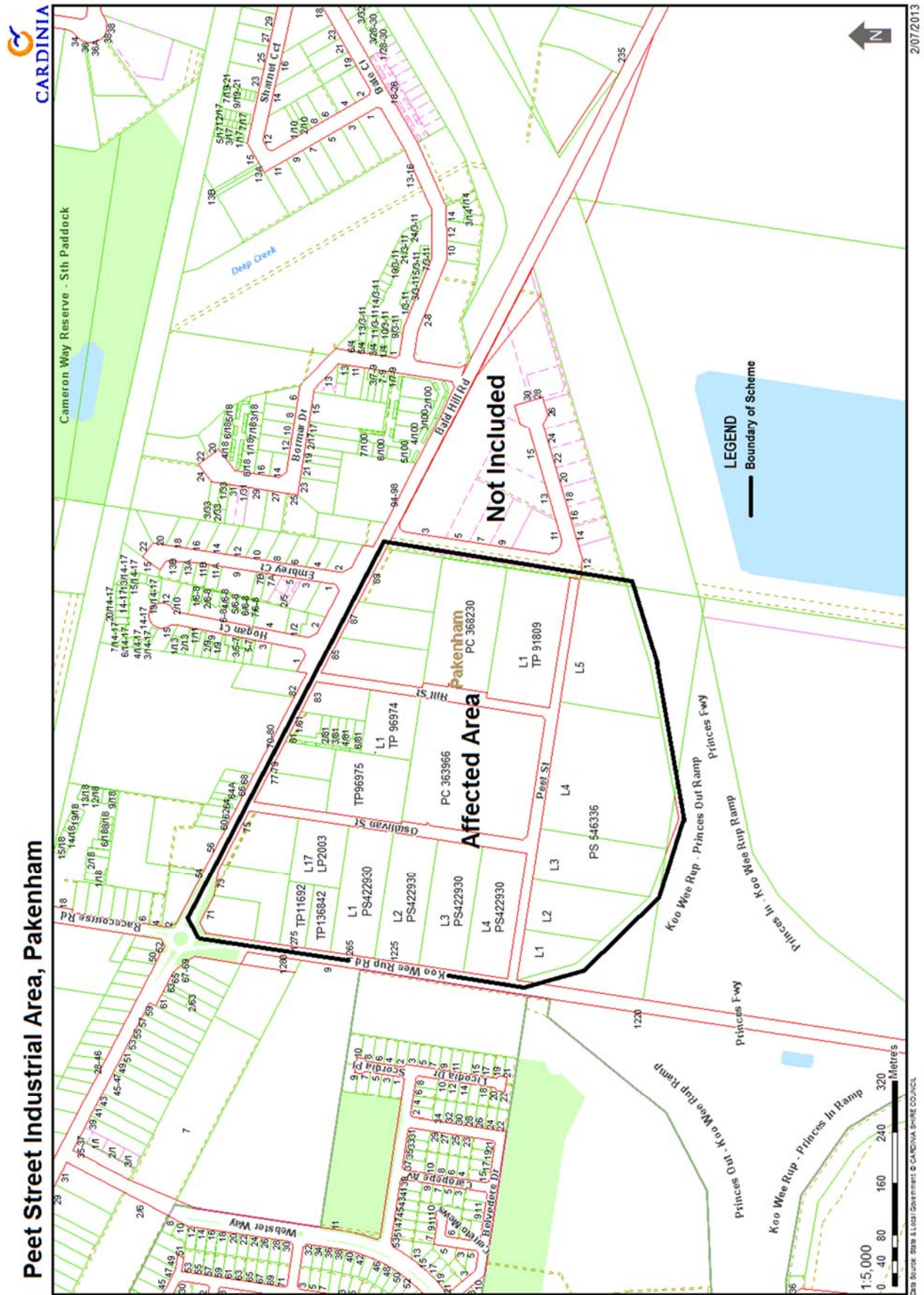
The Peet, Hill and O'Sullivan Streets industrial area is unable to be developed by the landowners acting alone. Affected landowners have sought Council intervention to facilitate its development and Council possesses special rate and charge powers that may be exercised to properly service this area and share the cost of that servicing fairly amongst all benefitting landowners. Designs and estimates of cost have been prepared under a separate special charge scheme so that the extent of works and associated costs are now known. The relatively few numbers of submissions and objections received during the formal notification process indicates a very high level of support particularly from the owners of over 90% of the affected land who are responsible for over 97% of the cost. It is therefore concluded there is more than sufficient support to proceed to declare the special charge.

ATTACHMENT 1 - PROCESS CHART

SPECIAL CHARGE PROJECTS – (Section 163 – Local Government Act 1989)

	<i>Stage</i>	<i>Description</i>
✓	<i>Survey of Landowners</i>	Initial survey of property owners to assist in determining the need, associated issues and level of support for the proposed works and special rate/charge scheme. Survey based on preliminary investigations.
✓	<i>Approval to prepare scheme</i>	Decision made to prepare scheme or to shelve project following consideration of surveys of property owners and feed back from the community. Council may proceed by placing the project in the budget system or commencing immediately to prepare a scheme. Scheme preparation involves survey, design, detailed estimates and preparation of an apportionment of costs.
✓	<i>Intention to Declare Scheme</i>	Report to Council providing information on proposed scheme including advice of impending advertising of scheme and declaration of charge. Report seeks Council approval by resolution to proceed with process.
✓	<i>Advertisement and Notification</i>	The proposed scheme is advertised in the local newspaper and all affected property owners are notified by mail of proposed works, costs and contributions. This advertisement and notification indicates Council's intention to 'declare' a scheme in at least 28 days' time and seeks submissions from affected property owners. It may also advise of landowner's rights to object to the scheme. Details of the scheme may be inspected at the Shire Offices.
✓	<i>Submissions</i>	From the time of advertising, property owners have 28 days (as set down by the Act) to lodge submissions, either in support or opposing the proposed scheme. If Council intends to recover more than 2/3 of scheme cost from contributors, they have 28 days to object to the scheme.
✓	<i>Submissions Review Panel Hearing</i>	A Submissions Review Panel is convened (may be committee of councillors or whole Council) and meets to consider submissions. Some submissions are written only. Submitters may also request to be heard before the Panel. The Panel makes a recommendation to Council regarding the scheme.
	<i>Abandonment of scheme</i>	The Panel may recommend to Council that the scheme be abandoned. After considering the Panel's report, Council may proceed to abandon the scheme following which property owners are notified and the scheme does not proceed.
	<i>Declaration Report</i>	<u>Alternatively</u> the Panel may recommend to Council that the scheme proceed. After considering the Panel's report, Council may proceed to "declare" the charges in accordance with its advertised intent. Subsequent to this the Finance Manager issues the levy notices and there is a formal charge placed on the property. This is the final step in the process for Council to make a decision on the scheme.
	<i>Appeal</i>	Property owners may lodge an application for review of Council's decision with the Victorian Civil and Administrative Tribunal (VCAT) within 30 days of issue of the levy notice. An appeal is listed, heard and determined by the Tribunal and this process generally takes four to six months. Decisions made by VCAT are binding on all parties.
	<i>Construction</i>	Council may then proceed to construction. Tenders are invited and a contractor appointed to construct the works. Invoices are issued seeking payment of the estimated cost within one month of commencement. Payment may be by instalments or lump sum. The Social Responsibility provisions of Council's Special Charge Policy provides for those facing financial difficulty.
	<i>Final Cost Report</i>	At the completion of the works the scheme is "finalised" taking into account actual costs incurred and payments are adjusted accordingly.

ATTACHMENT 2 – PLAN OF SCHEME AREA



ATTACHMENT 3 – ESTIMATED COST AND DESCRIPTION OF WORKS

COST ESTIMATE FOR CONSTRUCTION OF INFRASTRUCTURE TO SERVICE O’SULLIVAN – HILL – PEET STREETS INDUSTRIAL AREA, PAKENHAM

The works comprise adjustment of the engineering survey and design plans, obtaining associated authority approvals, acquisition of land and construction of works necessary to service the industrial area generally bounded by Bald Hill Road, Koo Wee Rup Road, Pakenham Bypass and Rapid Way as contained within the heavy black line of the Plan in Attachment 2.

Works include:

- Widening and construction of O’Sullivan Street, Hill Street and Peet Street to Cardinia Shire industrial road standards including land acquisition, bulk earthworks, pavement, seal, kerb & channel and road drainage;
- Partial construction of the Bald Hill Road intersections with Hill and O’Sullivan Streets;
- Land acquisition and construction of a ‘left in - left out’ intersection treatment of Peet Street where it intersects Koo Wee Rup Road and associated short length of Koo Wee Rup Road service road associated with that intersection;
- Outfall Drainage to service the area in accordance with Melbourne Water’s Deep Creek South Drainage Scheme including easement acquisition, and underground and surface drainage works; and
- Water supply, sewerage, electricity, gas and telecommunications infrastructure;
- Preparation of contract documentation and ‘as-constructed’ plans and documents; and
- Provision of all associated supervision, administration and legal advice all as included in the cost estimate shown below:

Note – Estimate and Project excludes filling of adjoining lots to approved surface profile.

Summary of Engineer’s Estimate		
Item	Description	Amount
1	Construction of road works in O’Sullivan Street, Hill Street and Peet Streets including Bald Hill Road intersections and Koo Wee Rup Road service road and intersection with Peet Street and all associated pavements, street drainage, site filling, land acquisition and service adjustments.	\$4,639,605
2	Construction of sewerage infrastructure to provide a sewerage connection point to all existing unserviced lots including payment of associated authority fees with that infrastructure being capable of servicing further subdivision of all lots that it services.	\$519,212
3	Construction and connection of reticulated water supply infrastructure in Peet, O’Sullivan and Hill Streets including associated 20mm tapping and authority fees to provide potable water supply to each existing unserviced lot that is capable of servicing further subdivision of all lots to which it abuts.	\$276,090

Summary of Engineer's Estimate		
Item	Description	Amount
4	Construction of underground electrical infrastructure including street lighting, connections to existing overhead mains to ensure appropriate electrical connection points are available to service and to cater for reasonable development of existing lots.	\$1,385,200
5	Construction of Deep Creek South Drainage Scheme drainage infrastructure to Melbourne Water Corporation standards to service the existing lots including payment of all outstanding Melbourne Water Corporation outfall fees.	\$3,082,210
6	Construction of National Broadband Network (NBN) capable telecommunications pits and conduits and payment of associated infrastructure fees to enable NBN connection to service all existing lots.	\$145,317
	Works Subtotal	\$10,047,634
9	Project management, administration, design review and authority approvals @ 2.5%	\$251,189.95.
	Total Project Cost	\$10,298,823.95