

AMENDED ITEM

Item No: 3.5
Title: Winney Bay
Department: Environment and Planning



9 September 2019 Ordinary Council Meeting

Trim Reference: F2019/00042 - D13647771

Author: Luke Sulkowski, Unit Manager, Natural and Environmental Assets

Executive: Scott Cox, Director Environment and Planning

Report Purpose

To update Council on the results of further discussions with the NSW State Government on funding for the Winney Bay Clifftop Walk and seek direction on how to progress with this project.

Summary

The NSW State Government, through the Regional Growth – Environment and Tourism Fund had offered \$4.615 million to fully fund the proposed initial Winney Bay Clifftop Walk project at Copacabana.

The project would have provided an upgraded walking access to replace the existing informal path along the clifftop. The project was prepared in part to facilitate improved and safer pedestrian access through the reserve and integrate with existing pedestrian infrastructure.

After representation by some parts of the community, Council subsequently resolved not to proceed with the development of the project in accordance with its original scope, and instead decided to rescope the project to change some of the design elements it originally featured.

Staff have held more recent further discussions with INSW seeking support to fund the project in accordance with Council's revised scope. INSW have committed to providing flexibility on certain elements of the project in accordance with Council's determination, but have also provided greater clarity on those elements which they consider to be non-negotiable.

Recommendation

- 1 That Council note the Infrastructure NSW letter (see attachment) dated 28 August 2019.**

- 2 ***That Council notes that Infrastructure NSW have advised that they consider the bridge spanning the chasm, and the north facing lookout are integral elements of the project that need to be included for the funding to be made available.***
- 3 ***That with consideration of Infrastructure NSW endorsing a number of the changes requested by Council, and noting that following previous community engagement it was identified that there was majority support for the bridge spanning the chasm and the north facing lookout, Council include these two elements within the scope of the Winney Bay Clifftop Walk project in order to proceed with the project with grant funding.***
- 4 ***That Council request the Chief Executive Officer formally accept the offer of grant funding for the Winney Bay Clifftop Walk project, including the bridge spanning the chasm, and the north facing lookout, but retaining Council's other previously adopted design changes by 18 October 2019.***
- 5 ***That Council request the Chief Executive Officer instruct staff to finalise the funding agreement and progress the development of the project in accordance with these changes.***

Context

Following application to Infrastructure NSW (INSW), Council was previously advised that it was successful in a funding application for \$4.615 million to be allocated towards the development of the Winney Bay Clifftop Walk at Copacabana under the Regional Growth – Environment and Tourism Fund. The grant funding was to fund 100% of the proposed project.

Due to concerns raised by some parts of the community, Council, through several resolutions, has resolved to change the scope of the project. A summary of the previous resolutions of Council in relation to this matter is provided for reference as follows:

Winney Bay Reserve Project Update

- | | |
|--------|---|
| 475/18 | <i>That Council receive the report on Winney Bay Reserve Project Update.</i> |
| 476/18 | <i>That Council re exhibit the concept plans proposed for stage 2 in consultation with the community.</i> |
| 477/18 | <i>That Council invite all attendees at the community meeting held in April 2018 to be involved in the formation of bush care groups in the Winney Bay and Copacabana area.</i> |
| 478/18 | <i>That Council investigate potential improvements to Del Monte Place in terms of parking and both vehicular and pedestrian traffic.</i> |

- 479/18 *That Council request the Acting Chief Executive Officer to consider the matters put by the speakers Miss Graham and Miss Cooper and provide a follow up report to the Council on those matters.*

Winney Bay Clifftop Walk - Stage 2 - Community Consultation

- 1214/18 *That Council note the feedback from the community consultation undertaken for Stage 2 of the Winney Bay Cliff Top Walk.*
- 1215/18 *That council note the wide acceptance of the recently opened Chertsey Boardwalk, in Springfield and note that the design is sympathetic and has minimal environmental impact.*
- 1216/18 *That Council note that community feedback on the project has been strongly divided with key issues raised through the community consultation process including:*
- a Perception of conflict between maintaining the objectives of COSS land and the objective of creating a major tourist attraction accessed from the Copacabana village.*
 - b Amelioration of the potential environmental impact of the project.*
 - c The provision of disabled access to the clifftop.*
 - d Whole of life costs.*
 - e Indigenous heritage.*
 - f Potential hazards associated with the clifftop environment. g. Deletion of the market stall components.*
- 1217/18 *That Council prepare an amended design for Stage 2 of the project with the following alterations:*
- a A pathway with a maximum 2m width, following the existing informal track and using materials that have minimal environmental impact.*
 - b Deletion of the proposed 3m wide concrete access road and bridge.*
 - c Relocation of the lookout to the vicinity of the southern side of the former proposed bridge.*

- d Deletion of the market stall components.*
- e Rehabilitation and restoration of the native vegetation on the site.*
- f Investigate ways to improve inclusive access to the proposed lookout, noting that this may require a suitable hard surface in this section.*
- g Investigate options to ensure that the project reflects and promotes Aboriginal connection and significance.*
- H Provision of information / education signage at the commencement of Stage 2 promoting the 5 Lands Walk, the features of the site and the funding source.*
- 1218/18 Discuss with the funding body any potential changes including other related tourist and community projects such as safe pedestrian access for those participants of the 5 lands walk that use Del Monte Place to walk to the Captain Cook lookout and the existing Whale Viewing Platform at the Copacabana Beachfront.*
- 1219/18 That staff liaise with the funding body about the proposed variation to the design.*
- 1220/18 That the revised design be place on exhibition for community comment.*
- 1221/18 Results of the community consultation be brought back to Council prior to construction commencing on Stage 2 of the Winney Bay Cliff Top Walk.*
- 1222/18 That Council adhere to the provisions of the previous resolution by this Council, that required there be no contracts signed until all the matters arising from community consultation have been dealt with.*

Winney Bay Cliff Top Walk Project

- 94/19 That Council note the information from Infrastructure NSW outlining the options for the existing offer of \$4.615 million for project RNSW1211 for the Winney Bay Cliff Top Walk – Stage 2.*
- 95/19 That Council request the Chief Executive Officer write to Infrastructure NSW to inform them of the Council resolution to not proceed with the original project design under the existing offer of \$4.615 million for project RNSW1211 however, advise of the revised project design in keeping with the objectives of the original grant application.*

- 96/19 *That Council request the Chief Executive Officer engage design consultants to modify the designs for the Winney Bay Cliff Top Walk – Stage 2 that are consistent with Council resolution 1217/18 of 10 December 2018 and that the consultants design and cost each component of the revised project design*

INSW Funding for RNSW1211 – Winney Bay Cliff Top Walk Project Update

- 430/19 *That the revised project scope for the Winney Bay Cliff Top Walk be amended to allow for the new path to deviate off the existing informal track at those locations where geotechnical issues are presented and in order to best manage public safety.*
- 431/19 *That the revised concept designs for the Winney Bay Cliff Top Walk may include limited use of concrete, and may also include materials such as fibreglass and composites as utilised in the Chertsey Boardwalk project if they support development of a design that is sympathetic and has minimal environmental impact.*

In summary, previous resolutions result in:

- 1 Reducing the pathway to a maximum 2 metre width.
- 2 Deletion of the proposed 3 metre wide concrete access road and bridge.
- 3 Relocation of the lookout to the vicinity of the southern side of the former proposed bridge.
- 4 Deletion of the market stall components.
- 5 Rehabilitation and restoration of the native vegetation on the site.
- 6 Investigate ways to improve inclusive access to the proposed lookout, noting that this may require a suitable hard surface in this section.
- 7 Investigate options to ensure that the project reflects and promotes Aboriginal connection and significance.
- 8 Provision of information/ education signage at the commencement of Stage 2 promoting the 5 Lands Walk, the features of the site and the funding source.

On 16 July 2019, Council staff and the Mayor met with INSW staff at their office in Sydney to determine if funding for the former project could be reallocated to the new project in accordance with Council's revised scope. The meeting was promising with INSW indicating that further consideration could be given to reallocation of the funding, largely based on the assessment of a Benefit Cost Ratio (BCR) for the project demonstrating an exceedance of one and providing detail of the proposed changes to INSW.

Staff engaged an economic consultant to develop a BCR for the revised project and forwarded this with other information to INSW on 5 August 2019 (see attachment 2). The BCR determined by the economic consultant for the new project was 3.81. This information was provided as part of this package of information.

In response to this, INSW held a teleconference with senior Council staff on 26 August 2019. They advised that despite the BCR exceeding 1, there were certain elements of the project that they considered to be key elements that needed to be included in the project scope for them to provide funding support to the project. These were:

- Retention of the all accessible bridge structure across the chasm as per the original scope.
- Retention of the viewing platform at the north eastern corner of the reserve as per the original scope.

As reported to Council at the 10 December 2018 Ordinary Meeting following extensive further community engagement, these two elements of the proposal had the general support of the community:

Inclusion of a bridge to achieve accessibility – referencing the support or otherwise of the proposed bridge which allows for disability access along the proposed walk:

- 55.8% of respondents supported the inclusion of a bridge to achieve accessibility to the Winney Bay Cliff Top Walk.
- 44.2% of respondents did not support the inclusion of a bridge to achieve accessibility to the Winney Bay Cliff Top Walk.

Inclusion of a cliff top lookout – referencing the proposed cliff top look out at the northern end of the proposed walk:

- 57.8% of respondents supported the inclusion of a clifftop lookout in the Winney Bay Cliff Top Walk.
- 42.2% of respondents did not support the inclusion of a clifftop lookout in the Winney Bay Cliff Top Walk.

INSW were willing to forego a number of other elements that Council has elected to delete from the original scope.

In follow up to the meeting of 26 August 2019, INSW issued a letter to Council dated 28 August 2019 (see attachment) confirming these discussions, the letter stated in part:

INSW considers that the bridge spanning the chasm and the north facing lookout are integral to the project. The proposed changes to these elements, and the associated shortening of the all abilities access to the lookout, would fundamentally change the nature of the project. On this basis, INSW does not support them.

INSW is supportive of the proposed reduction of the path width from 3m to 2m; removal of market stalls; pathway realignment; and change of pathway materials, subject to all abilities access to the lookout being confirmed.

This letter also includes a requirement by INSW for Council to formally respond within 21 days (18 September 2019) on how Council wishes to proceed. If Council does not wish to proceed with the project INSW have advised that the grant should be relinquished.

Options

Option 1 (Recommended) – That the bridge spanning the chasm, and the north facing lookout be reintroduced back into the scope of the Winney Bay Clifftop Walk Project, whilst retaining other adjusted scope elements previously identified by Council (such as a narrower path, deletion of market stall sites etc.) in order for grant funding to be made available to deliver the project in accordance with the letter from INSW dated 28 August 2019.

Option 2 – That Council not alter its current approved project scope, which requires the bridge spanning the chasm and the north facing lookout not be included in the project and that Council formally advise INSW that it intends to relinquish the funding. Alternative pedestrian access should continue to be considered for the site if Council chooses to pursue this option in order to best manage existing risks presented to users and the immediate environment through unmanaged access.

Financial Impact

If Council chooses to adopt the recommendation, a funding agreement of \$4.615 million will be available to deliver this project. If Council does not choose to adopt the recommendation, and proceeds with the project in accordance with current adopted project scope there will be a significant cost impact to Council. The cost of the project in accordance with Council's current resolved scope of works has not yet been determined.

Link to Community Strategic Plan

Theme 1: Belonging

Goal B: Creativity connection and local identity

B-B4: Activate spaces and places to complement activity around town centres, foreshores, lakes and green spaces for families, community and visitors.

Risk Management

Current informal access to the clifftop areas of Winney Bay Reserve presents a potential public safety risk and uncontrolled access to the surrounding natural environment.

3.5 Winney Bay (contd)

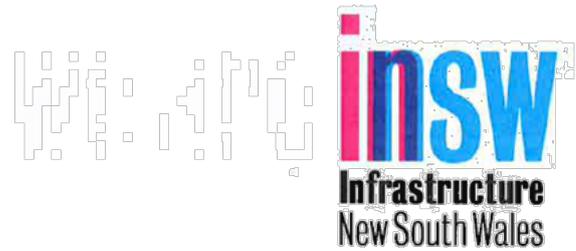
Establishment of a formal path through this part of the reserve will help to manage these risks.

Critical Dates or Timeframes

Council must formally advise Infrastructure NSW of its determination by 18 September 2019.

Attachments

- | | | |
|----------|---|-----------|
| 1 | 28.08.19 Letter from INSW - Winney Bay RNSW1211 Change Request 01V2 - | D13652593 |
| 2 | Restart NSW Change Request Form Final | D13653590 |



28 August 2019
Gary Murphy
CEO
Central Coast Council
P.O. Box 20, Wyong,
NSW 2259



Dear Gary,

RNSW1211 – Winney Bay Cliff Top Walk Change Request 01 Version 2.0

Thank you for your, Scott and Luke's time to further discuss Council's project change request proposal.

The revised project proposal (CR01 V2.0) has been reviewed by INSW, in consultation with the Department of Planning Industry and Environment.

INSW considers that the bridge spanning the chasm and the north facing lookout are integral to the project. The proposed changes to these elements, and the associated shortening of the all abilities access to the lookout, would fundamentally change the nature of the project. On this basis, INSW does not support them.

INSW is supportive of the proposed reduction of the path width from 3m to 2m; removal of market stalls; pathway realignment; and change of pathway materials, subject to all abilities access requirements to the lookout being confirmed.

If Council wishes to continue with the project, noting the requirements to include the bridge spanning the chasm and the north facing lookout, the NSW Government grant under the Regional Growth Environment Tourism Fund is still available.

If Council no longer wishes to proceed with the project, the grant should be relinquished.

INSW request that Council formally respond within 21 days on how Council wish to proceed.

Should you have any queries please don't hesitate to contact me or Julie Paton on 80160143.

Regards,

A handwritten signature in blue ink, appearing to read 'Ross Parker', written over a faint, illegible stamp.

Ross Parker
Executive Director, Performance Management



Change Request

RNSW1211 Winney Bay Cliff Top Walk

Change Request CR01



Winney Bay completed stairs



Change Request

RNSW No.	RNSW1211	Date	23/07/2019
Project Name	Winney Bay Cliff Top Walk	Program	Regional Growth and Tourism Fund
Change Request No.	CR01	Recipient	Central Coast Council
Original Completion date:	December 2021	Total Project Budget:	\$4,615,000
Current Completion date:	July 2023	Restart Funds:	\$4,615,000
Change Type	<input checked="" type="checkbox"/> EOT <input checked="" type="checkbox"/> SCOPE <input checked="" type="checkbox"/> COST		
Summary of Change Request			
Component change to infrastructure. (See attachment 1)			
Reason for Change Request			
Resolutions made by elected Councillors. (See attachment 1)			
Attachments			
1) <i>Winney Bay Cliff Top Request for Change</i>			
2) <i>Benefit Cost Ratio</i>			
Change Details (to be completed by Recipient)			
Time			
Time to complete works and finalise project: July 2023			
Revised completion date: July 2023			
Scope			
Revised scope: Please see attached document.			

Cost				
Funds	Original	Spend to date	Funds Remaining	Forecast Final Cost
Restart Grant	\$4,615,000	Nil	\$4,615,000	\$4,513,587
Total	\$4,615,000	Nil	\$4,615,000	\$4,513,587
Variance				\$101,413



Change Request

Forecast Final Cost Budget	\$4,363,587
Total	\$4,363,587

Works complete to date	Stage 1 (not a part of this project) Archaeological assessment Environmental assessment
Works yet to complete including change request	Concept design Construction drawings Construction
Forecast Final Cost	\$4,363,587
Original Budget	\$4,615,000
Additional funds [?]	Nil
Revised Total Project Budget (TPB)	\$4,363,587
Restart NSW (%)	100%
Recipient (%)	Nil

Note: Funds for the variance of \$x will be provided by x.

Proposed By: Brent Evans

Approval (to be completed by INSW)

Revised completion date	Yes <input type="checkbox"/> No <input type="checkbox"/>	Endorsed by: Melissa Alt, Project Manager - Performance Management
Revised scope	Yes <input type="checkbox"/> No <input type="checkbox"/>	Signature: Date:
Revised total project cost	Yes <input type="checkbox"/> No <input type="checkbox"/>	Approved by: Ross Parker, Executive Director Performance Management
		Signature: Date:
Comments <i>Approver comments</i>		



Change Request

Attachment 1. RNSW1211 Winney Bay Cliff Top Request for Change.

Change to scope request. Request.

Central Coast Council is seeking a change of scope to the Restart funding deed, RNSW1211 Winney Bay Cliff Top Walk. The following information outlines what changes are being considered and the reasons for the requested changes.

Also provided is information regarding the original scope, cost and program and comparisons of these components in regards to requested changes.

Reason for change.

Changes are to be made to the original scope of works following resolutions, made by elected Councillors, at Council meetings on the 10 December 2018 and the 27 of May 2019. The changes seek to provide for a project scope that still achieved identified project outcomes, whilst also delivering a project that is more widely accepted by the community.

On the 10 December Council resolved;

1214/18 That Council note the feedback from the community consultation undertaken for Stage 2 of the Winney Bay Cliff Top Walk.

1215/18 That council note the wide acceptance of the recently opened Chertsey Boardwalk, in Springfield and note that the design is sympathetic and has minimal environmental impact.

1216/18 That Council note that community feedback on the project has been strongly divided with key issues raised through the community consultation process including:

- a. Perception of conflict between maintaining the objectives of COSS land and the objective of creating a major tourist attraction accessed from the Copacabana village.
- b. Amelioration of the potential environmental impact of the project.
- c. The provision of disabled access to the clifftop.
- d. Whole of life costs.
- e. Indigenous heritage.
- f. Potential hazards associated with the clifftop environment.
- g. Deletion of the market stall components.

1217/18 That Council prepare an amended design for Stage 2 of the project with the following alterations:

- a. A pathway with a maximum 2m width, following the existing informal track and using materials that have minimal environmental impact.
- b. Deletion of the proposed 3m wide concrete access road and bridge.
- c. Relocation of the lookout to the vicinity of the southern side of the former proposed bridge.
- d. Deletion of the market stall components.
- e. Rehabilitation and restoration of the native vegetation on the site.
- f. Investigate ways to improve inclusive access to the proposed lookout, noting that this may require a suitable hard surface in this section.
- g. Investigate options to ensure that the project reflects and promotes Aboriginal connection and significance.



Change Request

h. Provision of information/education signage at the commencement of Stage 2 promoting the 5 Lands Walk, the features of the site and the funding source.

On the 27th May 2019 Council resolved;

430/19 That the revised project scope for the Winney Bay Cliff Top Walk be amended to allow for the new path to deviate off the existing informal track at those locations where geotechnical issues are presented and in order to best manage public safety.

431/19 That the revised concept designs for the Winney Bay Cliff Top Walk may include limited use of concrete, and may also include materials such as fibreglass and composites as utilised in the Chertsey Boardwalk project if they support development of a design that is sympathetic and has minimal environmental impact.

Benefit Cost Ratio Information.

The Benefit Cost Ratio for the change of scope was completed by Lawrence Consulting. (See attachment 2)

Delivery outcomes.

It is considered that the requested changes to the scope of works will deliver the outcomes as provided below;

- a. A pathway with a maximum 2m width, following the existing informal track and using materials that have minimal environmental impact.
- b. A lookout in the vicinity of the southern side of the former proposed bridge.
- c. Rehabilitation and restoration of the native vegetation on the site.
- d. Investigate ways to improve inclusive access to the proposed lookout, noting that this may require a suitable hard surface in this section.
- e. Investigate options to ensure that the project reflects and promotes Aboriginal connection and significance.
- f. Provision of information/education signage at the commencement of Stage 2 promoting the 5 Lands Walk, the features of the site and the funding source.

Changed components/scope.

This request asks that following changes are able to be made;

- Path width reduced from 3m to 2m.
 - Council resolution **1217/18** a. A pathway with a maximum 2m width, following the existing informal track and using materials that have minimal environmental impact.
- Bridge spanning chasm removed.
 - Council resolution **1217/18** b. Deletion of the proposed 3m wide concrete access road and bridge.
- The viewing platform is relocated from the original northern location and placed overlooking the natural chasm.
 - Council resolution **1217/18** c. Relocation of the lookout to the vicinity of the southern side of the former proposed bridge.
- Market stalls will be removed.
 - Council resolution **1217/18** d. Deletion of the market stall components.

Change Request

- All abilities access has been reduced from 300m to 90m.
 - Council resolution **1217/18** f. Investigate ways to improve inclusive access to the proposed lookout, noting that this may require a suitable hard surface in this section.
- Pathway realigned.
 - Council resolution **1217/18** a. A pathway with a maximum 2m width, following the existing informal track and using materials that have minimal environmental impact. **AND 430/19** That the revised project scope for the Winney Bay Cliff Top Walk be amended to allow for the new path to deviate off the existing informal track at those locations where geotechnical issues are presented and in order to best manage public safety.
- Pathway materials originally proposed to be concrete are to be constructed from other material.
 - Council resolution **431/19** That the revised concept designs for the Winney Bay Cliff Top Walk may include limited use of concrete, and may also include materials such as fibreglass and composites as utilised in the Chertsey Boardwalk project if they support development of a design that is sympathetic and has minimal environmental impact.

Site comparisons.

Below are two aerial images showing the layout of the original proposal (Figure 1) and the new proposal (figure 2). The scope of works for this application is identified between points A and B.



Figure 1 shows original layout of proposal.



Figure 2 shows layout of new proposal.

Unchanged components/scope.

The following items/attributes will still be retained from the original proposal;

- 340m access pathway from existing car park to existing concrete stairs.
- A viewing platform
- Disability access from the existing car park to the viewing platform.
- Indigenous cultural reference.



Change Request

Scope of works

Original	New
<p>The scope of works covered in this budget includes the construction of an approximate 300m long cliff top walk and associated pedestrian bridge and viewing platform with the project managed by the Central Coast Council.</p> <p>The project is located on the coastline between the suburbs of Copacabana and Avoca Beach on the Central Coast of New South Wales. The site is identified as LOT: 1 DP: 545040, 107B Del Monte Place, Copacabana NSW 2251.</p>	<p>The scope of works covered in this budget includes the construction of an approximate 340m long cliff top walk and associated viewing platform with the project managed by the Central Coast Council.</p> <p>The project is located on the coastline between the suburbs of Copacabana and Avoca Beach on the Central Coast of New South Wales. The site is identified as LOT: 1 DP: 545040, 107B Del Monte Place, Copacabana NSW 2251.</p>
<p>The scope of the project generally includes:</p> <ul style="list-style-type: none"> • Site preparation and bulk earth works including site preparation and selective removal of existing trees, bulk excavation including cut to fill, importing fill material, trimming and compaction of fill material, construction of temporary gravelled work areas and reinstatement of all disturbed areas upon completion. • Civil works including construction of: <ul style="list-style-type: none"> ◦ 114m² steel feature viewing platform ◦ 22m long steel feature foot bridge ◦ Suspended steel walkways ◦ 4m x 4m wide concrete market stall platforms ◦ Mass sandstone retaining walls ◦ Approx. 300m x 3m wide trafficable concrete path and ◦ Approx. 700m x 1.8m to 2.4m wide shared concrete footpath ◦ The installation of conduits for future installation of water and power. ◦ Art works. 	<p>The scope of the project generally includes:</p> <ul style="list-style-type: none"> • Site preparation and bulk earth works including site establishment and selective removal of existing trees, bulk excavation including cut to fill, importing fill material, trimming and compaction of fill material, construction of temporary gravelled work areas and reinstatement of all disturbed areas upon completion. • Civil works including construction of: <ul style="list-style-type: none"> ◦ Viewing platform of yet to be determined size or material to be relocated to the vicinity of the southern side of the former proposed bridge per Council resolution of the 10th December 2018. ◦ A pathway with a maximum 2m width, following the existing informal track and using materials that have minimal environmental impact per Council resolution of the 10th December 2018. ◦ Improved inclusive access to the proposed lookout noting that this may require a suitable hard surface in this section per Council resolution of the 10th December 2018. ◦ Mass sandstone retaining walls ◦ Investigations of options to ensure that the project reflects and promotes Aboriginal connection and significance per Council resolution of the 10th December 2018.
<p>The design specifications and standards referenced for this project include;</p> <ul style="list-style-type: none"> • General <ul style="list-style-type: none"> ◦ Central Coast Council's Civil Construction Specification and Subdivision Policy. ◦ Central Coast Council's Code of Practice for Erosion and Sedimentation. ◦ Occupational Health and Safety Act. ◦ Equal Employment Opportunity Management Plan 2009/2011. ◦ SEPP (Infrastructure) 2007 • Steel <ul style="list-style-type: none"> ◦ AS 4671 – Steel Reinforcing Materials ◦ AS 4100 - Steel Structures ◦ AS 3679.2 – Structural Steel Welded Sections ◦ AS 1163 – Structural Steel Hollow Sections ◦ AS 1111 - Metric Hexagon Commercial Bolts and Screws 	<p>The design specifications and standards referenced for this project include;</p> <ul style="list-style-type: none"> • General <ul style="list-style-type: none"> ◦ Central Coast Council's Civil Construction Specification and Subdivision Policy. ◦ Central Coast Council's Code of Practice for Erosion and Sedimentation. ◦ Occupational Health and Safety Act. ◦ Equal Employment Opportunity Management Plan 2009/2011. ◦ SEPP (Infrastructure) 2007 • Steel <ul style="list-style-type: none"> ◦ AS 4671 – Steel Reinforcing Materials ◦ AS 4100 - Steel Structures ◦ AS 3679.2 – Structural Steel Welded Sections ◦ AS 1163 – Structural Steel Hollow Sections ◦ AS 1111 - Metric Hexagon Commercial Bolts and Screws ◦ AS 1252 – Structural Assemblies ◦ AS 1554.1 - Structural Steel Welding ◦ AS/NZS 4673 – Stainless Steel Structures ◦ AS/NZS 4680 – Hot Dip Galvanising (zinc)



Change Request

<ul style="list-style-type: none"> ○ AS 1252 – Structural Assemblies ○ AS 1554.1 - Structural Steel Welding ○ AS/NZS 4673 – Stainless Steel Structures ○ AS/NZS 4680 – Hot Dip Galvanising (zinc) Coatings ○ AS 2312 – Guide to the Protection of Iron and Steel Against Exterior Atmospheric Corrosion. • Concrete <ul style="list-style-type: none"> ○ AS 3600 – Concrete Structures ○ AS 3610 – Formwork for Concrete ○ AS 1379 - Concrete Manufacture ○ AS 3972 – General Purpose and Blended Cements ○ AS 1012 – Concrete Testing ○ AS 1478 – Concrete Admixtures ○ AS 3700 – Masonry Structures ○ AS 4773 – Masonry in Small Buildings • Drainage <ul style="list-style-type: none"> ○ AS 3500.3 – Plumbing and Draining ○ AS 1254 – PVC Pipes and Fittings for Stormwater ○ AS 1342 – Precast Concrete Pipes ○ AS 3725 – Installation of Buried Pipes • Miscellaneous <ul style="list-style-type: none"> ○ AS 1289 5.1.1 – Soil Testing ○ AS 1170 – Structural Design Actions ○ AS 2156 – Walking Tracks ○ AS 1428 – Design for Access and Mobility ○ AS 2890 – Off Street Parking 	<ul style="list-style-type: none"> Coatings <ul style="list-style-type: none"> ○ AS 2312 – Guide to the Protection of Iron and Steel Against Exterior Atmospheric Corrosion. • Concrete <ul style="list-style-type: none"> ○ AS 3600 – Concrete Structures ○ AS 3610 – Formwork for Concrete ○ AS 1379 - Concrete Manufacture ○ AS 3972 – General Purpose and Blended Cements ○ AS 1012 – Concrete Testing ○ AS 1478 – Concrete Admixtures ○ AS 3700 – Masonry Structures ○ AS 4773 – Masonry in Small Buildings • Drainage <ul style="list-style-type: none"> ○ AS 3500.3 – Plumbing and Draining ○ AS 1254 – PVC Pipes and Fittings for Stormwater ○ AS 1342 – Precast Concrete Pipes ○ AS 3725 – Installation of Buried Pipes • Miscellaneous <ul style="list-style-type: none"> ○ AS 1289 5.1.1 – Soil Testing ○ AS 1170 – Structural Design Actions ○ AS 2156 – Walking Tracks ○ AS 1428 – Design for Access and Mobility
<p>There are no utility adjustments or property acquisitions required for this project.</p>	<p>There are no utility adjustments or property acquisitions required for this project.</p>
<p>The key elements of the project are as follows;</p> <ul style="list-style-type: none"> • The Viewing Platform provides an iconic presence and a sense of place. At the time of construction it will be the only fully accessible coastal viewing area on the Central Coast that provides expansive views of the northern coastline. The platform is designed to carry the weight at full capacity allowing for large groups for weddings or other events. The design, selected by community members of the 5 Lands Walk Committee, represents an open whale mouth. The intention is for the nose of the platform to be positioned to point to the rising sun on the morning of the winter solstice. Both the whale and rising winter solstice sun are symbolic to the local Aboriginal community.  <p>Figure 3 an artists impression of the community selected design of the viewing platform.</p>	<p>The key elements of the project are as follows;</p> <ul style="list-style-type: none"> • The Viewing Platform Viewing platform of yet to be determined size or material to be relocated to the vicinity of the southern side of the former proposed bridge as per Council resolution of the 10th December 2018. The revised design is to be placed on public exhibition for community comment with the results of the community consultation required to be brought back to Council prior to construction. <ul style="list-style-type: none"> ○ Impact: The relocation of the platform will provide a different view to the originally proposed location, however the view available from the former location will still largely be able to be experienced through the completion of the walk at the northern end.  <p>Figure 5 is a photo montage showing view from location of original proposed viewing platform site.</p>  <p>Figure 6 is a photo montage showing view from location of new proposed viewing platform site.</p>

Change Request

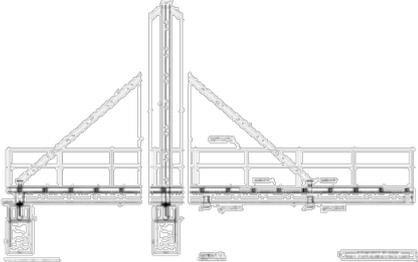


Figure 4 Concept plans, side view, of the viewing platform.

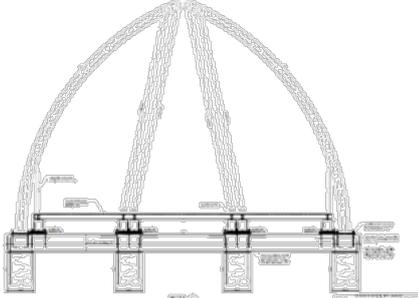


Figure 7 Concept plan, end view, of the viewing platform.

- The Bridge** provides an access link between sections of the concrete pathway allowing full disability access from the existing carpark to the viewing platform. The design, selected by community members of the 5 Lands Walk Committee, represents the back of a whale breaking the surface of the water. Three Corten® steel panels on each side of the bridge will be laser cut with designs selected from a community art prize competition. The theme of the art is elements of the natural environment.

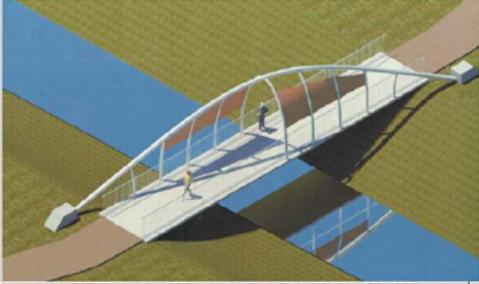


Figure 8: An artist's impression of the community selected design of the bridge.

- The Bridge** has been deleted.

 - Impact:** Full accessibility will not be achieved beyond the viewing platform's new location; however accessibility will still be significantly improved along the informal track enhancing access for a greater variety of user groups. The recently installed concrete stairs at the northern extremity of the project site would constrain wheelchair access at that point. (i.e. wheelchair access is not possible for the full extent of the walk through the reserve on areas of path already completed).



Figure 10: Shows section of recently completed (stage 1) stairs



Change Request

<p>Figure 7 concept plans, side view, of the bridge.</p> <p>Figure 9 concept plans, end view, of bridge showing handrail detail and spine rib members.</p> <p>N.B. Design of bridge and viewing platform include redundancies for maintenance. (Supporting components are doubled so that one may be removed and replaced while the other still supports the structure).</p>	
<ul style="list-style-type: none"> <p>The Pathway, which will be approximately 900m in total length, will provide full disability access from the existing carpark to the viewing platform and then the highest achievable level of disability access possible from the viewing platform to the bottom of Winney Bay. This will include hand railing and tactiles throughout.</p> <p>The path will be 3m in width from the existing car park to the lookout and from the bottom of the stairs to the base of Winney Bay with turning bays located at each end. This will allow for vehicle access for construction, maintenance, stall/event set up and if necessary emergency vehicles.</p> <p>Figure 11 concept plans of the pathway from the existing car park to the lookout.</p> 	<ul style="list-style-type: none"> <p>The Pathway will be a maximum 2m width, following the existing informal track and using materials that have minimal environmental impact as per Council resolution of the 10th December 2018. The revised design is to be placed on public exhibition for community comment with the results of the community consultation required to be brought back to Council prior to construction.</p> <ul style="list-style-type: none"> <p>Impact: The section of pathway from the proposed viewing platform to the recently installed concrete stairs will not accommodate wheelchairs.</p> <p>Figure 13 Showing layout of response to combined Council resolutions of proposed changes to design including location of existing car park (bottom centre) raised pathway, viewing platform, stairs, and crushed sandstone pathway.</p>



Change Request

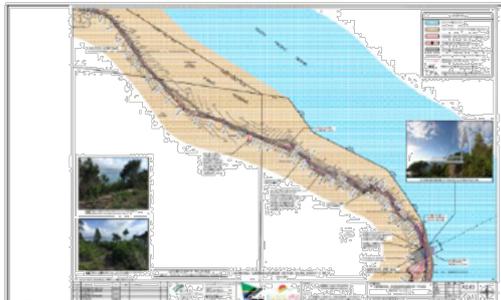


Figure 12 concept design of the pathway from the viewing platform including the stairs and part of the vehicle access.

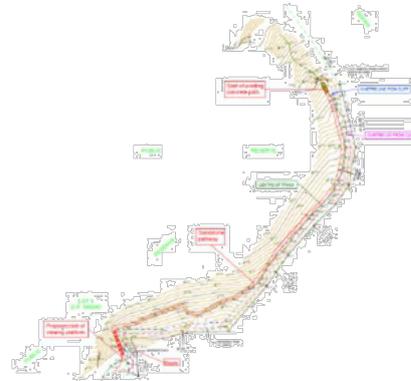


Figure 14 Showing layout of response to combined Council resolutions of proposed changes to design including location of viewing platform, stairs, crushed sandstone pathway and start of existing concrete path (top right).

N.B. Design considerations were raised with the Councillors regarding resolutions made on the 10th December and as such amendments were made to the resolutions as per below;

10th December 2018

1217/18 That Council prepare an amended design for Stage 2 of the project with the following alterations:

- a. A pathway with a maximum 2m width, following the existing informal track and using materials that have minimal environmental impact.

27th May 2019

430/19 That the revised project scope for the Winney Bay Cliff Top Walk be amended to allow for the new path to deviate off the existing informal track at those locations where geotechnical issues are presented and in order to best manage public safety.

431/19 That the revised concept designs for the Winney Bay Cliff Top Walk may include limited use of concrete, and may include materials such as fibreglass and composites as utilised in the Chertsey Boardwalk project if they support development of a design that is sympathetic and has minimal environmental impact.

PROPOSAL EXCLUSIONS

The Project excludes any provision for the connection or installation of utilities such as water, electricity and lighting or the construction of amenities or additional car parking.

PROPOSAL EXCLUSIONS

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Cost Plan.

The cost budget provided below, for the new proposal, is an *example* outcome that may be reached following both community consultation and Council acceptance. Other materials may be substituted for all components which would provide variant costs.

Table 1 below: Comparison of original cost of works (left hand columns) and the new proposed works (right hand columns)

Original

Item	Description	Cost Budget
Stage 2 Design		
1	Archaeological report	\$ 40,000
2	Environmental report	\$ 40,000
3	Construction drawings	\$ 140,000
4	Advertising, signage	\$ 40,000
Stage 2 Construction		
5	Groundworks	\$ 181,730
6	Retaining walls	\$ 60,000
7	Paths	\$ 345,000
8	Metal work	\$ 688,893
9	Viewing Platform	\$ 834,815
10	Bridge	\$ 687,195
11	Suspended steel walkway	\$ 276,460
12	Utility ducts	\$ 19,500
13	Market platforms	\$ 120,000
14	Artwork	\$ 200,000
15	Preliminaries	\$ 210,407
16	Identified Risk allowance	\$ 98,170
17	Unidentified Risk allowance	\$ 162,830
18	Project Management	\$ 100,450
	Subtotal	\$ 4,245,000
19	Contingency	\$ 370,000
	Total	\$ 4,615,000

New

Item	Description	Works completed	Cost Budget
Stage 2 Design			
	Archaeological report	\$20,538	
	Environmental report	\$ 5,200	
1	Concept drawing		\$ 100,000
2	Construction drawings		\$ 140,000
3	Advertising, signage,		\$ 40,000
Stage 2 Construction			
4	Groundworks		\$ 181,730
5	Retaining walls		\$ 60,000
6	Paths		\$ 200,000
7	Metal work		\$ 400,000
8	Viewing Platform		\$ 700,000
9	Raised boardwalk		\$ 1,200,000
10	Landscaping		\$ 200,000
11	Weed Management		\$ 150,000
12	Artwork		\$ 200,000
13	Preliminaries		\$ 210,407
14	Identified Risk		\$ 98,170
15	Unidentified Risk		\$ 162,830
16	Project Management		\$ 100,450
	Subtotal	\$25,738	\$ 4,143,597
17	Contingency		\$ 370,000
	Total	\$25,738	\$ 4,513,587



Change Request

Table 2 below: Shows percentage component costs of original proposal (left hand columns) and the new proposal (right hand columns)

Original			New		
Item	%	Cost \$	Item	%	Cost \$
Archaeological report	0.86	40,000			
Environmental report	0.86	40,000			
Construction drawings	3.03	140,000	Concept drawing	2.21	100,000
Advertising, signage	0.86	40,000	Construction drawings	3.10	140,000
Stage 2 Construction			Advertising, signage,	0.89	40,000
Groundworks	3.93	181,730	Stage 2 Construction		
Retaining walls	1.30	60,000	Groundworks	4.03	181,730
Paths	7.47	345,000	Retaining walls	1.33	60,000
Metal work	14.94	688,893	Paths	4.43	200,000
Viewing Platform	18.08	834,815	Metal work	8.86	400,000
Bridge	14.88	687,195	Viewing Platform	15.51	700,000
			Raised boardwalk	26.59	1,200,000
			Landscaping	4.43	200,000
			Weed Management	3.32	150,000
Suspended steel walkway	6	276,460			
Utility ducts	0.42	19,500			
Market platforms	2.60	120,000	Artwork	4.43	200,000
Artwork	4.33	200,000	Preliminaries	4.66	210,407
Preliminaries	4.6	210,407	Identified Risk	2.18	98,170
Identified Risk allowance	2.12	98,170	Unidentified Risk	3.61	162,830
Unidentified Risk allowance	3.53	162,830	Project Management	2.22	100,450
Project Management	2.17	100,450	Subtotal		4,143,597
Subtotal		4,245,000	Contingency	8.20	370,000
Contingency	8.02	370,000	TOTAL	100.00	4,513,587
TOTAL	100.00	4,615,000			

Program

Due to the nature of the project and site constraints associated with the location the staging of the works will need to be carried out in the following order;

- **Concept Design:** Once a consultant has been commissioned they will then need to produce a set of designs of which will go out to community consultation. The consultation process will take 9 weeks to complete. The results of the community consultation will then be reviewed by Council. If accepted these designs will then proceed to construction drawing phase.
- **Construction Drawings:** These drawings will need to be produced so that construction can be carried out but also so that the tender process can be entered into to engage a construction company to undertake the works. The tender process for construction will take 10 weeks to complete.
- **Advertising, signage:** The fabrication of the signs and advertising of the works will take place once it is established that works are taking place and when it is expected for the works to commence and be completed.
- **Groundworks:** This will include site establishment (site sheds, fencing) site survey lines, vegetation removal, cutting and benching of pathway, footing for pathway edging and drainage and erosion controls.
- **Paths:** This is from the existing concrete path to the stairs near the new viewing area location. This needs to be completed prior to viewing platform and raised boardwalk as once either of these are installed access beyond this either the platform or boardwalk will not be possible unless further vegetation clearing and new track work are carried out.
- **Viewing area:** Construction needs to be completed before access is blocked by the raised platform.



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- **Raised boardwalk:** Construction of the raised boardwalk can occur after the viewing platform is completed.
- **Metal work and Art work:** Metal hand railing and Art work can be installed as the project progresses but the final components will not be able to be installed until all else is complete.

Milestone	Target Date
Concept drawing	November 2020
Construction drawings	May 2021
Advertising, signage.	August 2021
Stage 2 Construction	Stage 2 Construction
Groundworks	November 2021
Retaining walls	January 2022
Paths	July 2022
Metal work	July 2023
Viewing Platform	October 2022
Raised boardwalk	June 2023
Artwork	July 2023

Key Milestones.

Milestone	Target
Design acceptance.	November 2020
Ground works commencement	September 2021
Viewing platform completion	October 2022
Project completion	July 2023

Conclusion.

Below are a breakdown and comparison of previous proposed outcomes and the new expected outcomes as part of this request for change;

Original	New
<p>It is proposed that the works will have the following attributes;</p> <ul style="list-style-type: none"> • It will follow and formalise the existing informal trail for the majority of the way. • An all abilities access pathway from an existing car park to a large viewing platform. This pathway will be 3m in width to accommodate maintenance vehicles and emergency vehicles such as ambulance. • From the viewing platform to the base of Winney Bay valley will be a set of 2m wide concrete stairs with all possible disability access inclusions possible. The width of the stairs is to accommodate the numbers of participants in the 5 Lands Walk. • At the base of the stairs will be a 3m wide vehicle access path, with turning bay that continues to the base of the existing concrete stairs that return to Del Monte Place. • A pedestrian bridge that spans a chasm allowing for wheelchair access to the viewing platform. • A large viewing platform that will be positioned so that the nose of the platform points directly to the rising sun on the morning of the winter solstice. 	<p>It is proposed that the new works will have the following attributes;</p> <ul style="list-style-type: none"> • It will follow and formalise the existing informal trail for the majority of the way. • An all abilities access pathway from an existing car park to a viewing platform. This pathway will be 2m in width. • From the viewing platform to the top of the concrete stairs will be a 2m wide pathway. • From the top of the concrete stairs to the base of Winney Bay valley are a set of 2m wide concrete stairs. The width of the stairs accommodates the numbers of participants in the 5 Lands Walk. • At the base of the stairs is a 3m wide vehicle access path, with turning bay that continues to the base of the existing concrete stairs that return to Del Monte Place. • An East facing viewing platform that will be positioned next to the chasm. • Indigenous art will be incorporated into the design of the Winney Bay Clifftop Walkway. • Weed Management and Bush Regeneration



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<p>This day has significant to Indigenous communities as it is associated with the start of the annual whale migration.</p> <ul style="list-style-type: none">• Small marquee platforms 4m x 4m to accommodate market stalls, art work or other events that are anticipated will become a feature of the site.• Indigenous art will be incorporated into the design of the Winney Bay Clifftop Walkway.	<p>Activities will be undertaken to manage identified Weeds of National Significance, restore vegetation to resemble that which would have been more prolific pre-European settlement, and enhance the user experience making it more appealing to tourism.</p>
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Change Request

Attachment 2. Benefit Cost Ratio.

Winney Bay Cliff Top Walking Trail: Economic Assessment

Prepared for Central Coast Council

July 2019





Change Request

Winney Bay Cliff Top Walking Trail: Economic Assessment



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Change Request

Winney Bay Cliff Top Walking Trail: Economic Assessment



INTRODUCTION

Lawrence Consulting was commissioned by Central Coast Council to undertake an economic assessment of the proposed Winney Bay Cliff Top Walk Project, the aim of which is to demonstrate the economic benefit of the Project and subsequently ensure the efficient allocation of public and private funding.

The scope of the economic assessment included:

- Evaluation of the direct costs and benefits to the community resulting from the Project; and
- Evaluation of the potential wider economic impacts as a result of the Project.

This report details the following key components of the economic assessment undertaken:

- Evaluation framework and guidelines;
- Cost benefit analysis (including approach, key inputs and assumptions and scenarios modelled);
- Results of analysis, including Net Present Value (NPV) and Benefit Cost Ratio (BCR);
- Sensitivity analysis; and
- Wider economic impact analysis.

The following sections of this report present the results of the economic assessment.

Disclaimer

Lawrence Consulting does not warrant the accuracy of this information and accepts no liability for any loss or damage that you may suffer as a result of your reliance on this information, whether or not there has been any error, omission or negligence on the part of Lawrence Consulting or its employees.



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Winney Bay Cliff Top Walking Trail: Economic Assessment



PROJECT METHODOLOGY

Project Overview

Winney Bay Reserve managed by Central Coast Council (CCC) is located on the coastline between the suburbs of Copacabana and Avoca Beach on the Central Coast of New South Wales. The Reserve is currently used by local residents on a daily basis for walking for fitness and access to the coastal rock shelf for fishing. Access is either from the Avoca Beach end of the reserve via a Council managed maintenance trail or from Del Monte Place Copacabana via a set of concrete stairs. A recently refurbished lookout, known as Captain Cook lookout, at the southern end of the reserve provides views of the Tasman Sea and south to Sydney. This platform is heavily patronised especially during whale migrations. This platform is not accessible by wheelchair.

The area within the Winney Bay Reserve where the proposed Winney Bay Cliff Top Walk (see map of proposed trail in Appendix A) is to be located consists of regionally significant native bushland. The majority of the proposed walkway follows an informal trail located on community land owned by council and takes in scenic views of the Tasman Sea and the coast from Avoca Beach north to Norah Head. The proposed works are part of an undertaking by Council to provide a permanent walking trail – the S Lands Coastal Walkway – that connects the five coastal communities of Macmasters Beach, Copacabana, Avoca Beach, North Avoca and Terrigal on the New South Wales Central Coast.

It is proposed that the Winney Bay Cliff Top Walk will have the following attributes:

- A pathway with a maximum 2m width, following the existing informal track and using materials that have minimal environmental impact;
- A lookout in the vicinity of the southern side of the former proposed bridge;
- Rehabilitation and restoration of the native vegetation on the site;
- Investigate ways to improve inclusive access to the proposed lookout, noting that this may require a suitable hard surface in this section;
- Investigate options to ensure that the project reflects and promotes Aboriginal connection and significance; and
- Provision of information/education signage at the commencement of Stage 2 promoting the S Lands Walk, the features of the site and the funding source.

Community benefits arising from the Trail will include:

- Enhanced recreation and leisure access and opportunities; improved community health and well-being outcomes, including for the retired or elderly;
- Greater access to foreshore reserves and open space, beaches and natural areas; access to a broader range and wider number of settings and landscapes, offering greater choice and diversity in recreational activities and experiences;
- Enjoyment of spectacular and inspirational scenery, and a fuller appreciation of the value of, the bushland headlands, beaches and foreshore found in the Winney Bay Reserve;
- Experience and connection with natural landscapes and cultural heritage places; opportunities for continued "connection to country" and significant places for members of the region's Aboriginal community;

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Change Request

Winney Bay Cliff Top Walking Trail: Economic Assessment



- Greater equity of access to coastal assets and attractions – for the community generally, as well as across cultural backgrounds and physical abilities;
- Improved connectivity and access/movement options within the urban environment; enhanced local amenity and the perceived ‘softening’ of the urban landscape, through the retention of ‘green’ backdrops and open space as well as a nearby recreation/relaxation asset;
- Increased access and passive surveillance of foreshore public land, mitigating against private encroachment/uses and anti-social activities;
- Additional and strengthened social or local community ‘places’ – encouraging a greater sense of ‘belonging’, custodianship and civic pride; and
- A new shared asset and attraction for all Central Coast residents, and a legacy for future residents and generations.

Evaluation Framework

The economic assessment is based on a generalised Cost Benefit Analysis (CBA) framework which quantifies and compares the direct infrastructure cost (capital and recurrent) of a project with the change in economic value (benefits / cost savings) generated with the project.

The assessment has been undertaken in accordance with the relevant guidelines for CBA, specifically, the New South Wales Treasury Guidelines for Economic Appraisal. Where these guidelines do not cover specific methodologies required to estimate benefits of the project (e.g. estimating wider impacts), other benefit guidance has been sought from domestic and international literature and guidelines.

The overall appraisal framework is based on welfare economic theory. This framework defines the change in economic value in terms of the following theoretical concepts:

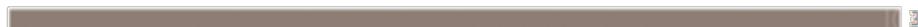
- User consumer surplus;
- Producer surplus;
- Resource cost corrections; and
- Externalities.

The purpose of the CBA was to determine whether the community will enjoy a net benefit as a result of completion of the proposed Winney Bay Cliff Top Walk Project and to ensure efficient allocation of public resources. The CBA takes into account:

- The potential direct benefits and costs that would not otherwise occur in the absence of the proposed Project; and
- The costs of construction and ongoing maintenance of the proposed Project.

The CBA framework is based on an annual discounted cash flow model. The model develops ‘streamed’ infrastructure costs and benefits over an evaluation period extending 30 years from the first full year of operation of the proposed Winney Bay Cliff Top Walk Project (inclusive).

Future costs and benefits are converted to a common time dimension; the present value (PV). Present values are calculated by discounting future values using a recommended discount rate (which reflects the time value of money). The discounted costs and benefits are then combined using specific equations to produce conventional measures of economic performance.



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Winney Bay Cliff Top Walking Trail: Economic Assessment



The CBA model produces the following key measures of economic performance:

- **Net Present Value (NPV)** – the difference between the PV of total incremental benefits and the PV of the total incremental costs, which allows the project options to be compared on the same basis to allow determination of the greatest net benefit to the community or the most efficient use of resources. Project options that yield a positive NPV indicate that the (discounted) incremental benefits of a scenario exceed the incremental costs over the evaluation period.
- **Benefit:Cost Ratio (BCR)** – ratio of the PV of total incremental benefits to the PV of total incremental costs. A BCR greater than 1.0 indicates that project benefits exceed project costs. However, generally, a project with a higher BCR may be preferred to protect against unexpected project delays, optimism bias or cost overruns.

Key Inputs and Assumptions

The streamed costs and benefits are based on underlying profiles of costs and demand that have been developed by the project's technical advisors and Lawrence Consulting. For the Winney Bay Cliff Top Walk Project, infrastructure and maintenance cost estimates were provided by Central Coast Council.

Forecast Demand

Local Participation

In order to determine the level of local use of the proposed Winney Bay Cliff Top Walk Project, the proportion of the population of the local catchment (i.e. includes the statistical areas of Avoca Beach-Copacabana, Box Head-MacMasters Beach, Kincumber-Picketts Valley and Terrigal-North Avoca) likely to engage in the activities offered by the trail – specifically, walking, jogging/running and bushwalking – has been estimated. Data released by the Australian Bureau of Statistics on the Participation in Sport and Physical Recreation Activities has been used to measure that the participation rate for the walking trail-related activities identified above.

The table below provides a conservative estimate for the initial level of local participation possible for the Winney Bay Cliff Top Walk, noting that the same residents may use the trail frequently or rarely, or conduct different activities (e.g. walk or run). Whilst the projections account for repeat usage, it has been assumed that a significant number of walking trail users are likely to use no more than once a year. The total local usage of the proposed Winney Bay Cliff Top Walk Project is estimated at 31,360 visits per annum initially upon project completion.

	Population (15+ yrs)	Average participation rates, Activities relevant to trail			Total
		Walking	Bushwalking	Running	
Local catchment ^(a)	32,778	6,793	492	2,557	9,842
Total estimated frequency of activity		93,773	590	14,649	109,012
Walking trail usage rate (%), given anticipated repeat usage		30%	50%	20%	
Estimated maximum number of residents trail visits		28,132	295	2,930	31,357

Note: (a) Includes the statistical areas of Avoca Beach-Copacabana, Box Head/MacMasters Beach, Kincumber-Picketts Valley and Terrigal/North Avoca

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Winney Bay Cliff Top Walking Trail: Economic Assessment



Visitor Usage

Whilst estimation of annual visitors to the proposed Winney Bay Cliff Top Walk Project is difficult, the method adopted has reviewed participation rates for other significant walking trails across Australia where visitor numbers are measured.

The Central Coast LGA attracts approximately 4.6 million visitors annually, of which approximately 185,000 are from interstate or overseas. Of these visitors, the estimated number of persons visiting Central Coast LGA to experience outdoor or nature based activities is approximately 48,750. Based on the profile of visitors to the local catchment area (including the statistical areas of Avoca Beach-Copacabana, Box Head-MacMasters Beach, Kincumber-Ricketts Valley and Terrigal-North Avoca) as well as other coastal walking trails, a highly conservative proportion of 10.3% has been applied to estimate the increase in annual visitation levels to the Central Coast LGA. Accordingly, approximately 5,010 additional visitors from interstate or overseas are conservatively expected to use the Winney Bay Cliff Top Walk Project annually upon completion based on comparison with benchmarks for other similar walking trails across Australia and overseas.

Taking into account regional length of stay, visitor origin and expenditure patterns, the gross annual stimulus to the Central Coast economy associated with the expected total visitor numbers to the Winney Bay Cliff Top Walk Project is estimated at \$0.4 million. A summary of the indirect tourism expenditure is provided in the following table.

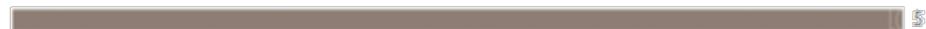
Expenditure type	Level	% of total
Accommodation	0158	35.3%
Food & beverage	0178	39.7%
Road transport	0006	1.4%
Retail shopping	0085	19.1%
Attractions	0014	3.0%
Other	0007	1.5%
Total off-site expenditure	0.448	100.0%
Annual visitors (additional):		
Domestic overnight	4064	81.0%
International overnight	950	19.0%
Total	5014	100.0%

Displacements & Leakages

Displacement arises when an economic stimulus such as the proposed Winney Bay Cliff Top Walk Project takes market share from other existing local firms or organisations, or 'displaces' alternative uses of project funds that might otherwise have occurred. For the purpose of this analysis, there are expected to be some minor displacement effects relating to the regionally-sourced component of project funding, although only to a limited extent; therefore, a low level of displacement has been assumed (5%).

Leakages are defined as the proportion of project outputs that flow out of the catchment area, i.e. purchases from outside the region. During the construction phase of the proposed Winney Bay Cliff Top Walk Project, it has been assumed that the majority of benefits/purchases will be retained within the catchment area, with consequently a low level of leakages allowed for (5%).

In relation to the operational phase of the proposed Winney Bay Cliff Top Walk Project and the indirect tourism benefits, for the purpose of this analysis it has been assumed that the Central Coast LGA is a closed economy, i.e. any displacement and leakages are considered marginal. All expenditure related to these elements of the project is therefore assumed to be made within the region – where not otherwise identified by the project proponent – in order to represent the additional economic activity generated by the proposed Winney Bay Cliff Top Walk Project.





Change Request

Winney Bay Cliff Top Walking Trail: Economic Assessment



Costs

The CBA incorporates the following economic costs relevant to the construction and ongoing maintenance of the proposed Winney Bay Cliff Top Walk Project:

- Fixed infrastructure costs, including earthworks, drainage and other infrastructure;
- Systems infrastructure;
- Other construction costs such as investigation, design and project management costs;
- Planned construction and operation risk; and
- Recurrent costs, such as scheduled maintenance and operating costs.

Specifically, the proposed Winney Bay Cliff Top Walk Project has a capital expenditure component of approximately \$4.2 million during the construction phase. Capital maintenance costs have been estimated at \$83,300 per annum, whilst depreciation expense has been calculated based upon a 50-year life with no residual value and is also approximately \$83,300 per annum.

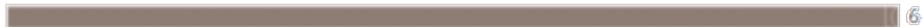
Benefits

Direct and indirect incremental benefits of the proposed Winney Bay Cliff Top Walk Project which have been considered as part of the CBA include:

- Increase in value added to regional economy (i.e. supply chain and consumption effects) associated with the construction of the proposed Winney Bay Cliff Top Walk Project;
- Net economic benefits flowing from visitation and spending impacts associated with visitors to the Winney Bay Cliff Top Walk Project;
- Consumer surplus associated with community users of the Winney Bay Cliff Top Walk Project, particularly where there are either no direct fee or reduced/subsidised charges involved with personal use or participation or attendance in organised events or programs; and
- The residual value of the project asset at year 30, given its operational life has been assessed as 50 years with no residual.

Other indirect incremental benefits of the Winney Bay Cliff Top Walk Project which were not considered as part of the CBA due to the level of difficulty in quantifying include:

- Public health cost savings from an elevated level of participation in active sport by a community; and
- Non-use benefits derived from non-users of cultural, environmental and recreational facilities who are often willing to pay for the facilities because they value the option to use the facility in future; the fact that other members of the community can use it; and the fact that future generations will enjoy the endowment left to them in the facility.



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Winney Bay Cliff Top Walking Trail: Economic Assessment



Value Added from Construction Phase

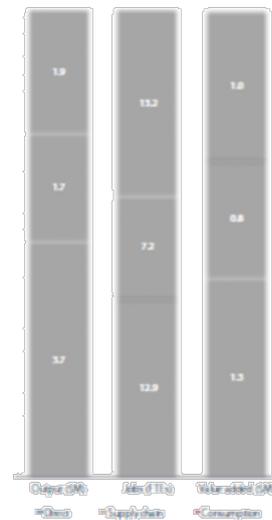
The proposed Winney Bay Cliff Top Walk Project has associated construction costs of approximately \$4.2 million during the development phase. After assumed displacement and leakages are taken into account, the gross stimulus for the regional economy will be approximately \$3.7 million. The net regional economic impact – i.e. direct, indirect and consumption-induced – associated with the construction phase of the Winney Bay Cliff Top Walk Project on the Central Coast LGA include (refer table below):

- An estimated direct output of \$3.7 million and additional flow on increases in output of \$1.7 million through other industries for a total industry impact of \$5.5 million. A further \$1.9 million in output in the region can be associated with consumption-induced effects;
- Estimated direct income (wages and salaries) of \$0.6 million, with \$0.4 million in additional income generated through flow on effects in other industries and a further \$0.6 million from household spending;
- Approximately 12.9 direct full-time equivalent (FTE) employment positions during the construction period, with an estimated additional 20.5 employment positions supported indirectly through other industries and household consumption for a total employment impact of 33.3 FTEs; and
- An estimated contribution to GRP of \$1.3 million from direct effects, with a further flow on impact of \$0.8 million through other industries for a total industry value added of \$2.1 million. An additional \$1.0 million in gross regional product can be attributed to consumption-induced effects.

Table 3: Economic Impact of Proposed Winney Bay Cliff Top Walk Project, Construction Phase

	Central Coast	New South Wales	Australia
Output (\$ million)			
Direct	3.7	4.2	4.2
Indirect	1.7	2.4	5.2
Consumption	1.9	3.6	4.4
Total	7.4	10.2	13.8
Income (\$ million)			
Direct	0.6	0.7	0.7
Indirect	0.4	0.6	1.2
Consumption	0.6	1.3	1.4
Total	1.6	2.6	3.3
Employment (fte persons)			
Direct	12.9	14.3	14.3
Indirect	7.2	10.0	18.7
Consumption	13.2	21.1	22.2
Total	33.3	45.4	55.2
Value added (\$ million)			
Direct	1.3	1.4	1.4
Indirect	0.8	1.1	2.2
Consumption	1.0	2.3	2.9
Total	3.0	4.8	6.6

Economic Impacts





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Winney Bay Cliff Top Walking Trail: Economic Assessment



Indirect Visitor Expenditure

The economic impacts of the indirect (off-site) tourism expenditure associated with additional visitors to the Winney Bay Cliff Top Walk Project on the Central Coast LGA include (refer table below):

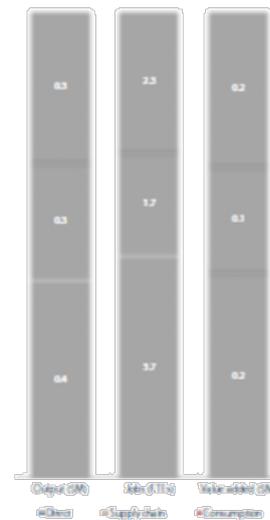
- An estimated direct output of \$0.4 million and additional flow on increases in output of \$0.3 million through other industries, for a total industry impact of \$0.7 million. A further \$0.3 million in output in the region can be associated with consumption-induced effects;
- Estimated direct income (wages and salaries) of \$0.1 million, with \$0.1 million in additional income generated through flow on effects in other industries and a further \$0.1 million from household spending;
- Approximately 3.7 direct full-time equivalent (FTE) employment positions, with an estimated additional 4.0 employment positions supported indirectly through other industries and household consumption for a total employment impact of 7.7 FTEs; and
- An estimated contribution to GRP of \$0.2 million from direct effects, with a further flow on impact of \$0.1 million through other industries and an additional \$0.2 million attributed to consumption-induced effects.

Table 4: Economic Impact of Winney Bay Cliff Top Walk Project, Indirect Tourism Spend

	Central Coast	New South Wales	Australia
Output (\$ million)			
Direct	0.4	0.4	0.4
Indirect	0.3	0.3	0.4
Consumption	0.3	0.5	0.5
Total	1.1	1.3	1.4
Income (\$ million)			
Direct	0.1	0.1	0.1
Indirect	0.1	0.1	0.1
Consumption	0.1	0.2	0.2
Total	0.3	0.4	0.4
Employment (fte persons)			
Direct	3.7	3.7	3.7
Indirect	1.7	1.9	2.0
Consumption	2.3	3.3	3.3
Total	7.7	8.8	9.0
Value added (\$ million)			
Direct	0.2	0.2	0.2
Indirect	0.1	0.1	0.2
Consumption	0.2	0.3	0.4
Total	0.5	0.7	0.8

Note: Annual impact upon full development

Economic Impacts



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Winney Bay Cliff Top Walking Trail: Economic Assessment



Consumer Surplus

The travel cost method is used to estimate economic use values associated with sites such as the proposed Winney Bay Cliff Top Walk Project that are used for recreation and leisure activities, especially where there is either no direct fee or reduced / subsidised charges for participants. The basic premise of the travel cost method is that the time and travel cost expenses that people incur to visit a site represent the "price" of access to the site. Thus, people's willingness to pay to visit the site can be estimated based on the number of trips that they make at different travel costs. This is analogous to estimating people's willingness to pay for a marketed good based on the quantity demanded at different prices.

Application of the travel cost method varies with respect to whether an individual or zonal approach is used. The zonal travel cost method, which is applied by collecting information on the number of visits to the site from different distances, has been adopted for this analysis. Because the travel and time costs will increase with distance, this information allows calculation of the number of visits "purchased" at different "prices," which is then used to construct the demand function for the site, and estimate the consumer surplus, or economic benefits, for the recreational services of the site.

Using the mean distance, time to the sites and estimated number of visits presented in Table 5 along with average vehicle operating costs of \$0.75 per kilometre for a medium car (RACQ) and a value of travel time of approximately one-half the average ordinary earnings in New South Wales, or \$0.63 per minute (Australian Bureau of Statistics), the total consumer surplus associated with future initial use – assuming total local visits to be approximately 31,360 per annum initially, based on conservative projections as outlined in the local participation section above – of the proposed walking trail is estimated at \$604,900 per annum.

Zone	Estimated total local visits per annum	Mean round trip (RT) travel distance (km)	Mean RT travel time (minutes)	Driving cost per visit (\$0.75/km)	Trip time cost per visit (\$0.63/min.)	Annual consumer surplus
1 (0-10km)	25,085	10	20	94,070	316,076	410,147
2 (11-30km)	6,271	24	35	56,442	138,283	194,726
Total	31,357	∞	∞	150,513	454,360	604,872

Source: ABS 6302.0 (RACQ) Lawrence Consulting

Evaluation Period

The base price year adopted is 2019, whilst the assumed construction period is January 2019 to December 2019. The appraisal period for the economic assessment is 2019 up to and including 30 years from the first year of operation (i.e. 2048).

Discount Rate

Consistent with relevant guidelines, a real discount rate of 7% has been adopted for the CBA. For the purposes of sensitivity testing, real discount rates of 3% and 10% have also been applied.

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Winney Bay Cliff Top Walking Trail: Economic Assessment



COST BENEFIT ASSESSMENT

The results of the CBA for the proposed Winney Bay Cliff Top Walk Project are summarised in the following table, including the total (discounted) present value incremental costs and benefits and resulting NPV and BCR. Also included are sensitivity results for lower and upper range discount rates (3% and 10%). A summary of cash flows for the cost-benefit evaluation is contained in Appendix B.

As expected for this type of project, costs are dominated by capital expenditures, whereas benefits are more broadly distributed across different categories; consumer surplus and direct and indirect increases in regional value added providing significant contributions.

Table 6: Present Value Incremental Costs and Benefits, NPV and BCR (Discount rate 7%)	
Total Value (\$ million)	
Direct Costs	
Capital expenditure	4.16
Maintenance costs (excl. depreciation)	3.33
Total Costs	7.50
Cost Savings and External Benefits	
Increased direct value added from construction phase	2.07
Consumer surplus	28.32
Increased visitor expenditure	20.92
Residual value	1.75
Total Benefits	53.10
Net Present Value (\$ million)	
Discounted (PV) costs	5.09
Discounted (PV) benefits	19.39
NPV	14.31
IRR	51%
BCR	3.81
Scenario analysis	
Discount rate (3%)	
NPV (\$ million)	26.60
BCR	5.37
Discount rate (10%)	
NPV (\$ million)	9.57
BCR	3.06

In aggregate, the NPV analysis suggests substantial net benefits of approximately \$14.3 million flowing from the proposed Winney Bay Cliff Top Walk Trail Project, with a BCR of 3.81 and Internal rate of return (IRR) of 51%, indicating that the project offers significant societal benefits well in excess of costs. This also takes into account timing differences between the earlier incurrence of costs and ongoing receipt of facility users and other benefits over the evaluation period.

Given the large volume of upfront costs and the (in general) stream of ongoing benefits, the CBA moves as expected insofar as the lower discount rate (3%) increases the NPV and BCR for the project, whilst the higher rate (10%) decreases the NPV and BCR relative to the base case, although all BCRs recorded are significantly higher than break-even.

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Winney Bay Cliff Top Walking Trail: Economic Assessment



CONCLUSION

The proposed Winney Bay Cliff Top Walk Project will become an iconic attraction for both local residents and visitors to the Central Coast and the preferred destination for recreational walking and running between Avoca Beach and Copacabana. The key economic outcomes from the proposed Winney Bay Cliff Top Walk Project are:

- During the construction phase, the \$4.2 million project will generate 13 direct local jobs and support \$3.6 million in additional spending in the community and a further 20 indirect jobs. Across New South Wales (including the regional impact), the project will support \$6.0 million in additional spending and a total of 31 indirect jobs during construction;
- The Winney Bay Cliff Top Walk Project is conservatively forecast to attract approximately 36,370 persons per annum initially, including 31,360 local users and 5,010 additional visitors from interstate and overseas to the Central Coast. The direct spending associated with these visitors is approximately \$0.4 million per year, which will support an additional 4 direct jobs across the region (9 total jobs across New South Wales); and
- Over the next 30 years, the Winney Bay Cliff Top Walk will deliver a net present value of \$143 million, with almost \$4 in benefits to the community created for every dollar spent in construction and maintenance of the walking trail.

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Winney Bay Cliff Top Walking Trail: Economic Assessment



APPENDIX A: PROPOSED WALKING TRAIL





Change Request

APPENDIX B: PROJECT CASH FLOWS – COST BENEFIT ANALYSIS

Table B1: Incremental Cash Flow Costs and Benefits (\$), Economic Outcomes

Period	Total	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Year		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Costs													
Capital expenditure	4,163,587	4,163,587	0	0	0	0	0	0	0	0	0	0	0
Maintenance costs (excl. depreciation)	3,334,587	0	83,272	85,112	86,993	88,916	90,881	92,889	94,942	97,040	99,185	101,377	103,617
Total cost	7,498,174	4,163,587	83,272	85,112	86,993	88,916	90,881	92,889	94,942	97,040	99,185	101,377	103,617
Benefits													
Increased value added from construction phase	2,068,954	2,068,954	0	0	0	0	0	0	0	0	0	0	0
Consumer surplus	28,315,352	0	604,872	635,116	666,872	700,215	735,226	771,987	791,287	811,069	831,346	852,130	873,433
Increased visitor expenditure	20,966,938	0	447,896	470,290	493,805	518,495	544,420	571,641	585,932	600,580	615,595	630,985	646,759
Residual value	1,748,707	0	0	0	0	0	0	0	0	0	0	0	0
Total benefits	53,099,950	2,068,954	1,052,768	1,105,406	1,160,677	1,218,710	1,279,646	1,343,628	1,377,219	1,411,649	1,446,941	1,483,114	1,520,192
Net cash flow (NCF)	45,601,776	-2,094,633	969,496	1,020,294	1,073,684	1,129,795	1,188,765	1,250,739	1,282,277	1,314,609	1,347,756	1,381,738	1,416,575
Decision criteria:													
Discount rate	3%	7%	10%										
NPV (\$M)	26.60	14.31	9.57										
BCR	5.37	3.81	3.06										
IRR	51%	51%	51%										

Note: Cash flow only shown for first 10 years post construction for presentational purposes. Total evaluation is undertaken over a 30-year period.