



Richmond Valley Council

Section 94 Heavy Haulage Contributions Plan 2013

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Table of Amendments

No.	Nature of Amendment	Date Commenced

1. Executive Summary and Introduction

This plan enables Richmond Valley Council to levy developer contributions under section 94 of the *Environmental Planning and Assessment Act 1979* where the anticipated development will, or is likely to, generate additional heavy haulage vehicle movements, such as from mines and extractive industries.

As a consequence of anticipated development, and having regard to the level of facilities currently available, there is likely to be an accelerated decline in life of the road network due to increased heavy haulage, a cost which would otherwise be borne by the wider community.

Richmond Valley Council has a Section 94A Contributions Plan that levies contributions based upon the proposed cost of development. However, due to the nature of developments such as mines and extractive industries the levying of contributions based upon cost of development would not yield sufficient finances to effectively meet the increased demand on the road network. As such this Plan will be applied in lieu of the *Richmond Valley Council Section 94A Contributions Plan 2010* on developments identified by Council as Heavy Haulage developments and ongoing contribution will be based upon haulage loads and travel distance.

Summary of Works

The monies collected will fund pavement rehabilitation works within the nominated haulage distance for the developments. The pavement rehabilitation required as a result of heavy haulage vehicle movements is directly proportionate to the mass of the load transported, the number of vehicle axles, and the volume of material transported. All contributions collected under this Plan will be spent on improvements to the haulage routes within the specified travel distance of the development from which it has been collected.

Summary of Contributions

The following developer contributions may be conditioned on development consents within the Richmond Valley Council area, or those of neighbouring Local Government Areas where it can be demonstrated that the haulage routes will travel into the Richmond Valley Council area.

A detail of methodology for calculating the following contributions is contained within the schedules to this Plan.

The following developer contribution rates for heavy haulage development will apply:

Development Type	Rate/Tonne/ km	Travel Distance used to calculate Contribution	Developer Contribution/ tonne
Mines, Extractive Industries, and/or development processing quarried/mined material -			
with the following annual extraction:			
≤20,000 m ³	\$0.072	10 km	\$0.72
>20,000 m ³	\$0.072	15 km	\$1.08
Other Heavy Haulage traffic generating developments -			
	\$0.072	Based on travel distance and equivalent standard axles generated by development	

Note¹. Contributions under this Plan shall be levied annually and based upon lodgement of annual returns itemising extraction rates for the previous financial year.

Note³. Rates provided were correct at the time this Plan was adopted and are subject to variation based upon CPI.

2. Administration and Operation of this Plan

This Plan has been prepared in accordance with the provisions of Section 94 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) and the Regulation thereto.

Name of Plan

This development contributions plan is called *Richmond Valley Council Section 94 Heavy Haulage Contributions Plan 2013*.

Land to which this Plan applies

This Plan applies to all land within the Richmond Valley Local Government Area.

This Plan may be applied to development located outside the Richmond Valley Council area where it can be demonstrated that heavy haulage routes will enter the Council area.

Purpose of the Plan

This Plan enables Richmond Valley Council to levy section 94 developer contributions on heavy haulage traffic generating development, such as mines and extractive industries. The purpose of the contribution is to recover the cost of consumption of pavement strength associated with increased axle loadings generated from heavy haulage traffic.

The purpose of the Plan is to:

- (a) to ensure that an adequate level of public road infrastructure is provided throughout the Richmond Valley LGA to handle heavy haulage;
- (b) provide an administrative framework for the levying of contributions against development involving heavy haulage;
- (c) authorise the Council to impose conditions under section 94 (s94) of the *Environmental Planning and Assessment Act 1979* when granting consent to development on land to which this Plan applies;
- (d) ensure that the existing community is not burdened by the accelerated provision of local and distributor road infrastructure resulting from the decreased life of road infrastructure due to developments involving heavy haulage;
- (e) provide a comprehensive strategy for the assessment, collection, expenditure, accounting and review of development contributions on an equitable basis; and
- (f) provided for contributions levied under this Plan to be increased annually based upon the Australian Consumer Price Index (CPI).

Commencement of this Plan

This Plan was adopted by Council on 15 October 2013 and commences from the date on which public notice is published, pursuant to clause 31(4) of the *Environmental Planning & Assessment Regulation 2000*.

Note. A notice was published on 23 October 2013.

Relationship to other Council plans

This development contributions plan operates in conjunction with the *Richmond Valley Council Section 94A Contributions Plan 2010*. The *Environmental Planning and Assessment Act 1979* prevents development being levied a contribution under both a 94A & 94 Plan. As such the Section 94A Plan will apply unless:

- the development involves heavy haulage traffic generation, and
- the Council determines that the best outcome for the community would be to levy a contribution under this Plan.

The Plan also supplements the provisions of the *Richmond Valley Local Environmental Plan 2012*, and *Richmond Valley Development Control Plan 2012*.

This Plan furthermore has links to key strategies within the *Richmond Valley Council Community Strategic Plan* regarding the provision of services and road infrastructure.

Development forms to which the Plan applies

This Plan may apply to developments identified by Council as generating heavy haulage traffic.

Relationship between expected development and demand for infrastructure

In most cases it is difficult to make a precise assessment of the impact of heavy haulage vehicles on the road network arising from proposed developments, because the destination and travel route of heavy haulage vehicles varies depending on a wide range of factors. The purchase of materials by third parties also makes determining the precise impact on the road network problematic.

This Plan could require travel routes for every heavy haulage truck movement to be logged with the information used to calculate the precise cost of the road pavement damage and commensurate reconstruction needs attributable to those movements. For accuracy this would need to be accompanied by a requirement that each development had a weighbridge to determine the weight of each loaded truck. This is considered an unnecessarily onerous approach to calculating a reasonable contribution that should be reimbursed to Council to fund pavement rehabilitation works.

A more reasonable approach is to estimate the likely cost of pavement consumption caused by a typical heavy haulage vehicle (per tonne per kilometre), and multiplying this cost with an assumed average trip length of a tonne of hauled material.

Cost of Road Reconstruction as a result of the expected development

Schedule 1 contains typical costs associated with pavement damage caused by a typical truck used to transport material on the road network. It assumes the design traffic of a section of sealed road is 1×10^6 Equivalent Standard Axles (ESA) and the replacement value of a kilometre of road being \$495,000.

For mines and extractive industries the typical cost per tonne of material transported is \$0.072 per km, see Schedule 3.

For other heavy haulage generating developments the same rates can be assumed, however, length of haulage and resultant contribution per tonne will be calculated at the time of development assessment.

Savings and transitional arrangements

A development application which has been lodged prior to the adoption of this Plan, but not determined, shall be determined in accordance with the provisions of the Plan which applied at the date of determination of the application.

How will contributions be imposed?

This Plan authorises Council, when determining a development application relating to development to which this Plan applies, to impose a condition under section 94 of the EP&A Act requiring payment of a monetary contribution to the Council towards the reconstruction of roads infrastructure to meet the demands of the development.

Methodology for the calculation of contributions payable are provided within the schedules to this Plan.

Indexation

Developer contributions provided for within this Plan are to be adjusted to reflect the increased cost of road construction that applies at the time consent is granted and subsequently indexed to generate annual payments.

The Council will, without the necessity of preparing a new or amending contributions plan, make changes to the monetary contribution rates set out in this Plan to reflect quarterly changes to the Consumer Price Index (CPI).

The contribution rates will be indexed as follows:

$$\$C_B = \frac{\$C_A \times \text{Current CPI}}{\text{Base CPI}}$$

Where:

$\$C_A$ = the contribution rate at the time of adoption of this Plan, or if the rate and costing has been reviewed, at that review date.

$\$C_B$ = the indexed contribution rate at the time development consent is to be issued or at a subsequent date of payment.

Current CPI = the *Consumer Price Index (All Groups Index) Weighted average of eight capital cities* as published by the Australian Bureau of Statistics at the time the rate is being indexed.

Base CPI = the *Consumer Price Index (All Groups Index) Weighted average of eight capital cities* as published by the Australian Bureau of Statistics at the date of adopting this Plan, or if rates and costing have been reviewed, at that review date. At the time this Plan was produced the Base CPI was 102.8 (June Quarter 2013).

Note¹. The Bureau of Statistics periodically adjusts the reference base (ie the period in which the index is set equal to 100). The index number levels for all periods will be changed by this process and it may also result in differences, due to rounding, between the percentage changes published on the old base and those on the new base.

Note². The same methodology will be applied to indexation of any costing contained within this Plan.

A condition requiring payment of a monetary contribution under this Plan must include a statement that payment rates will be subject to increase based upon indexation at the time of payment.

Timing of payment and Annual Returns

Developer contributions shall be paid on an annual basis at the applicable indexed rates based upon tonnage hauled for that period, multiplied by the set haulage distance established for the development.

The operator of the development, subject of a condition of consent requiring payment of monetary developer contributions under this Plan, shall submit an annual return by October each year for the preceding financial year (1 July to 30 June). The return shall disclose information including total quantities of material, in tonnes, hauled for the reporting period. Where here has been no heavy haulage during the return period a nil return is required to be submitted.

Council will calculate the appropriate developer contribution payable for the return period, including indexation, and create a debtors account for the amount payable. If payment is not received within 3 months of calculating the rate it will be subject to further indexation until payment is made.

Nexus

Anticipated increases in heavy haulage transport will continue to place greater demands on the existing road infrastructure.

Traffic generating developments, such as mines and extractive industries, provide a significant role in meeting the resource needs of the community. However, they also

have the potential to generate significant heavy vehicle movements with consequential impacts upon the road network.

Heavy vehicles are the primary contributor to the consumption of a road pavements structural capacity. The consumption of a road pavements structural capacity has a direct correlation to the number of equivalent standard axles [ESA] applied to the road. Therefore the consumption structural capacity can be directly related to the ESA's generated by the vehicle and hence a development.

Schedules

1. Typical costing for construction of road infrastructure

Council's typical costs for the construction of a kilometre of sealed road is \$495,000.00 (at August 2013).

2. Methodology for calculating contribution rates

Assumptions

1. Design traffic volume averaged across road network is 1.0×10^6 Equivalent Standard Axles (Design ESAs) (based on the *Northern Rivers - Design Manual*).
2. The standard commercial vehicle is assumed to be a Class 4 three axle truck (single front, tandem rear axle) with gross vehicle mass of 20 tonnes and a net load of 13 tonnes. The number of ESAs per commercial vehicle is determined by a Load Factor (f) equal to 1.9.
3. The construction cost for a rural road is estimated at \$495,000 per kilometre.

Calculation

1 commercial vehicle = 13 tonne load = 1.9 ESAs

1 ESA = $13 / 1.9 = 6.84$ tonnes per ESA

$$\text{\$/Levy/tonne/kilometre} = \frac{\text{\$Cost of 1 kilometre of Road}}{(\text{Design ESAs}) \times \text{Tonnes per ESA}}$$

Therefore,

$$\text{\$0.072 /tonne/km} = \frac{\text{\$495,000}}{(1.0 \times 10^6) \times 6.84}$$

The result is a rate per tonne per kilometre of haulage.

3. Contributions Rates for Mines and Extractive Industries

For the purposes of calculating the contributions for mines and extractive industries the following table is used:

Development Type	\$Levy/Tonne/Km	Travel Distance	Developer Contribution/tonne
Mines, Extractive Industries, and/or development processing quarried/mined material -			
with the following annual extraction:			
≤20,000 m ³	\$0.072	10 km	\$0.72
>20,000 m ³	\$0.072	15 km	\$1.08