

Submission
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**INQUIRY INTO ENROLMENT CAPACITY IN INNER CITY
PUBLIC PRIMARY SCHOOLS**

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SECRETARY'S OFFICE

Ultimo/Pyrmont Public School – decontamination and possible venting of noxious gas

The Minister has requested further information on the Department's position regarding the decontamination options for the Wattle, Jones & Fig Street site and the risks to the Department if an alternative option is to be pursued.

Key Information

This briefing closely references previous briefings **DGS15/917**, provided on 22 May 2015, which advised that the proposed site was no longer a viable option due to safety concerns and **DGS15/1056** provided on 11 June 2015, which sought approval to build a new school on the existing site. These briefings have not been appended as they have been provided previously on two occasions.

The recent report by the project management and design consultant team estimates significantly higher remediation costs as detailed below:

1. Partial remediation, capping, venting and an impermeable boundary barrier - \$31.3 million
2. Full remediation (no capping, venting or impermeable boundary layer) - \$53.9 million

Recent advice received from the expert consultant team (**Tab A**) indicates that, for full remediation to be effective, an impermeable wall may be required to ensure that contaminated groundwater from surrounding sites does not flow back into the site. This cost will be in addition to the estimated \$53.9 million and is expected to be significant.

The expert environmental and geotechnical consultants have recommended that the site be partially remediated, capped, vented and a barrier wall installed. The expert consultants advise that the extent and nature of the venting cannot be determined until detailed foundation design has been completed.

However, the expert consultants have advised the Department that venting will most likely take the form of vent stacks up the side or through the buildings. Given the heights of buildings around the site, these stacks will have to have special filters that will require replacing at regular intervals. Should it be possible to not locate buildings directly over the residual contamination, venting would most likely need to occur in or around outdoor play areas, via stacks.

It should be noted that the venting of noxious gases would need to continue indefinitely. More accurate advice on the extent and location of vents cannot be determined at this stage. The expert consultants have further advised that, depending on the actual concentrations of gas-generating contaminants encountered, a mechanical extraction system may also be required.

The Department's recommendation remains unchanged – the only acceptable way to eliminate the risk posed to current and future students and staff from highly contaminated soil and groundwater is to remove it completely and replace it with clean fill. Full details of each option, a chronology of events leading up to the Department's decision to withdraw from negotiations to purchase the Wattle, Jones & Fig Street site and the Department's reasons for deciding that the site must be fully remediated are contained in the Rationale to this brief.

Financial Implications

1. Total estimated cost of the school, including partial remediation, capping, venting and impermeable boundary wall - \$155.3 million plus recurrent costs for ongoing monitoring and site management;
2. Total estimated cost of the school, including full remediation (no capping, venting or impermeable boundary wall) - \$177.9 million, plus the cost of an impermeable wall, but no ongoing recurrent monitoring and site management costs

Recommendation

That the Minister note this additional information regarding the decision not to proceed with acquisition of the City of Sydney's, Wattle, Jones & Fig Street, site.

Endorsed
Anthony Perrau, Executive Director, Asset Management,

Approved
Peter Riordan, Deputy Secretary, Corporate Services,

3/7/15.

SECRETARY
6/7/15

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14 JUL 2015

Ultimo Public School – decontamination and possible venting of noxious gas

Rationale

The Department's reasons for deciding that the site must be fully remediated

The expert environmental and geotechnical consultant report by the project management and design consultant team, which was published on the Department's internet site on 25 June 2015 and has been provided to the Minister's office, estimates significantly higher remediation costs than previously advised as detailed below:

1. Partial remediation, capping, venting and impermeable boundary wall - \$31.3 million to partially remediate the site by constructing a shoring wall to restrict the flow of contaminated groundwater; removing contaminated soil up to a depth of 3 metres; placing clean fill over the remaining contaminated soil (capping the site) and the venting of noxious gasses. This option has significant recurrent costs as it will require ongoing monitoring of contaminated groundwater and management of the site to safeguard the health and wellbeing of staff, students and visitors to the site.
2. Full remediation(no capping, venting or boundary impermeable wall) - \$53.9 million to fully remediate the site by completely removing all contaminated soil to bedrock, removing contaminated groundwater and disposing of both offsite, followed by clean filling the site; plus the cost of an impermeable wall (not costed as yet). This option would ensure a clean site with no ongoing costs for monitoring or site management.

The decision on the nature and extent of remediation required on any given site is based on the individual characteristics of the site; the nature of the contamination, the proposed building development and the scientific and geotechnical feasibility of the possible decontamination options. With improvements in data capture, better analysis and a greater understanding of the impacts on people's health, the approach to the management and remediation of contaminated sites has changed.

As the key elements of a development vary significantly from site to site, the Department has adopted, over many years and based on expert advice, a variety of site decontamination methodologies. The decision is always made in the light of the best available advice from experts and with the health and safety of students and staff paramount. The Department's first preference is always to remove contaminants completely.

In the case of the proposed new Ultimo/Pymont Public School on the Wattle, Jones & Fig Street site in Ultimo, the geotechnical and scientific advice considered the nature of the contaminants found in the soil, the variable groundwater flows and the likelihood of the presence of noxious gases. As the proposed school development will see most of the site developed for buildings, the report indicates that significant venting for noxious gases will most likely be required in close proximity to school buildings if the contaminants are capped only or even partially removed. It should be noted that the venting of noxious gases will be required indefinitely.

For this reason, the Department has advised the Minister for Education that the only way to guarantee the health and wellbeing of current and future generations of Ultimo and Pymont students and staff is to remove all contaminated soil and groundwater completely.

The Department's detailed reasons for not proceeding with the provision of a new school on the Wattle, Jones & Fig Street site are discussed in **DGS15/917**.

Chronology of events leading up to the Department's decision to withdraw from negotiations to purchase the Wattle, Jones & Fig Street site.

- November and December 2013 - desktop study using previous investigations completed for City of Sydney Council to determine, in conjunction with Council, likely levels of contamination and costs to remediate. It is at this stage that Council refuse to accept the \$25 million estimate

of cost, stating that they are only willing to accept an estimate of \$5 million. This is where negotiations stalled for 12 months

- April 2014 - fieldwork undertaken by Douglas & Partners on various days from 7th to 23rd April 2014. This comprised 15 test pits to 3 metres
- June 2014 - October 2014 – project manager (McLachlanLister Hill International) and design consult team (GAO) commissioned
- July 2014 – report by Douglas & Partners shows significant levels of contamination in all 15 test pits and confirms the Department's position that site remediation to a level appropriate for a primary school will cost significantly more than the \$5 million proposed by Council
- June 2014 – October 2014 – preliminary design work commences
- November 2014 - project placed on hold as DEC withdraws from pre-purchase negotiations due to irreconcilable differences regarding extent and cost of site remediation works
- December 2014 – Council accepts Department's offer of \$74 million, which included a discount for contamination of \$18 million and \$8 million for a 180 space childcare centre
- January 2015 – project consultants instructed to recommence work
- March 2015 – expert workshop held to develop and review the draft site Remediation Action Plan (RAP). Three options considered as feasible. Experts recommend partial removal of contaminates to 3 metres, capping and indefinite venting of noxious gases.
- March 2015 – request to City of Sydney for unrestricted access from 13th April 2015. To commence detailed site investigations/activities
- April 2015 – Council requested to confirm access
- May 2015 – Council refuse access. Had access been provided all site investigations & consultants reporting would have been completed by end of May 2015
- May 2015 - site access granted but site investigation activities prohibited
- May 2015 – based on expert advice, inability to confirm the concentrations, nature and depth of contamination and the risk to students and staff from residual contamination levels, the Department advises the Minister that the only acceptable option is to remove and dispose of all contamination
- May 2015 - McLachlanLister Hill International and the expert consultant team advise the Department that the estimated cost of partial and full remediation is \$31 million and \$53 million respectively
- May 2015 - Department advises the Minister that the project is unviable and recommends that the Department withdraw from negotiations to purchase the site
- June 2015 – Department formally advises Council that it will not be proceeding with the purchase of the Wattle, Jones & Fig Street site
- June 2015 – school community advised of Department's decision
- June 2015 – Minister explains the decision on the Alan Jones program
- June 2015 – Department publishes the expert consultant advice it has relied upon to come to its decision not to proceed with the purchase and redevelopment of the Wattle, Jones & Fig Street site

Author	Anthony Perrau, Executive Director Asset Management
Consultation	McLachlanLister Hill International – Ultimo/Pymont Public School Project Manager Douglas & Partners – expert environmental and geotechnical consultants to the Ultimo/Pymont Public School project
Media release/ Communication Strategy	<input type="checkbox"/> Not required <input type="checkbox"/> Media Unit briefing attached <input type="checkbox"/> This briefing sent to <u>Media Unit</u> <input type="checkbox"/> Communication Strategy attached