

Tuesday 19th March 2018

Our Ref: 11-113 / 12-127

Water Utility Performance Indicators Review
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop NSW 1240

Attn: Ms Erin Cini

erin_cini@ipart.nsw.gov.au

Re: 204 & 206 Hastings Pde, North Bondi NSW

Dear Erin,

I am writing to you with regards to the current IPART review of the water utility performance indicators and also with regards to the terms of Sydney Waters Operating Licence more broadly. Structured Project Management Australia (SPMA) are currently assisting two clients, being strata plans SP:4507 and SP:16026, located at 204 and 206 Hastings Pde, North Bondi, respectively.

By way of background for the reasoning behind this submission, both buildings are existing BCA Class 2, two storey walk-ups of eight and seven units respectively. Due to the age and condition of these buildings, both were the subject of Structural and Fire Orders from Waverley Council. Each Fire Order has a similar clause as follows:

Provide certification from a practising Hydraulic Engineer that adequate street hydrant coverage, pressure and flow is provided to the subject building in accordance with Part E1 of the Building Code of Australia an AS 2419.1. Alternatively install internal Fire Hydrants and Fire Hose Reels in accordance with Part E1 of the Building Code of Australia an AS 2419.1, details being submitted to Council prior to commencement of work.

In accordance with these Orders an assessment has been carried out by a practising Hydraulic Engineer (Harris Paige and Associates) that has identified that although the nearest street hydrant feed is close enough to meet required coverage distances to the buildings, the mains pressure and flow as advised by Sydney Water is not sufficient for street hydrant coverage to be relied upon for fire fighting purposes.

Achieving full compliance with this Order without the use of street coverage would require the installation of onsite storage tanks, hydrant pump systems (including rooms to house them) and hydrant connection points. As both buildings are two storey, class 2 building with no available locations to their street frontage or common property space for these installations, this compliance would place significant and seemingly undue burden on the Owners of these existing buildings. It is estimated that the installation of the required hydrant booster assembly, hydrant pump and water tanks would cost in excess of \$400,000 for each site. In addition to this there is no position on the street frontage for the required installations and access routes to the equipment due to the entire frontage being taken up by existing garages and the entry staircases. These garages are owned by individual owners and the Owners Corporation do not have any means by which we can force them to give up or sell these spaces. Even if Owners were willing to sell spaces the purchase of these would certainly run into the many hundreds of thousands of dollars also given the location on Bondi headland.

In December 2013 our Owners Corporation requested a dispensation from the requirement of this order item on the basis that:

1. All other upgrades have been completed at very considerable cost to our Owners (in excess of \$1,000,000 per building),
2. the remaining non-compliance relates to a non-performance of the public infrastructure, and
3. The buildings in question are relatively small and low risk given the other works completed.
4. We are unable to achieve a fully compliant solution and any alternative solution would be of very high cost to our Owners.

Waverley Council were generally supportive of this request and issued a request to Fire and Rescue NSW in March 2014 for their concurrence to allow for a dispensation on this Order. In May 2014 however F&RNSW responded that although they understood the issues raised they could not grant a dispensation that left their fire fighters without acceptable means to fight fires. Given this response Council subsequently feel that they are unable to grant any dispensations. Since this original request for dispensation Council have provided ongoing extensions of time to this Order whilst both the Owners and Council have continued to seek a sensible resolution to this issue via either improved services from Sydney Water or via a dispensation from F&RNSW.

I would note that this issue does not only affect these two sites. We understand there are dozens of other strata buildings on North Bondi headland alone who would be in the same situation whereby adequate hydrant coverage is not available due to the failings of the infrastructure to this area. From discussions with Waverley Council I understand that mapping of these sites has been provided to Sydney Water and that in this area there may be upwards of 50 class 2 buildings affected. The costs of all affected building's providing coverage independently would obviously be enormous.

In regard to the Sydney Water service to this area, during the 2015 IPART review of the operating license conditions for Sydney Water, F&RNSW lodged a number of submissions highlighting the impacts of Sydney Water not providing adequate pressure/flow for firefighting purposes and requesting that this be addressed under the new operating licence.

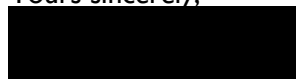
Following the IPART review the new Operating Licence required that Sydney Water develop a Memorandum of Understanding (MOU) with F&RNSW to attempt to come up with solutions to address any areas of concern. This MOU was entered into in October 2015 and set up a Strategic Liaison Group and Fire Fighting Working Group to further this process. The most recent Sydney Water Corporation Operation Audit available online from 2015-2016 notes that these groups have been established and are working well. To date however we understand that the shortfall in flow to this area continues and we have been advised by Sydney Water that they have no intention of upgrading services in the area to provide adequate pressure or flow for firefighting services.

On the basis of the above and with specific regards to the current review of performance indicators, we would like to request that IPART consider the establishment of quantitative measures by which Sydney Water's compliance with Clause 9.4 of their operating licence can be assessed.

Having reviewed the issues paper I understand that the review of current performance standards is outside of the reviews scope. I hope however that this real-world example of the cost to the community of aging water infrastructure not providing adequate coverage for firefighting services may assist in any future review of the performance standards with regards to the provision of adequate pressure and flow for firefighting services by Sydney Water.

Thank you for your consideration of the above. I would be happy to provide any further information that may assist with regards to the issues faced by these sites.

Yours sincerely,

A black rectangular box redacting the signature of Richard Stapleton.

Richard Stapleton
Project Director
B.E.Civil (Hons)