

## MINE SUBSIDENCE BOARD

## Minute Paper

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Revision of Delegation—Schedule C

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ISSUE:

Review of delegations to Board staff.

BACKGROUND:

On 10 January 2007, the financial limit of delegations to the Board's Officers was amended following advice from the Board Members in July and August 2006. At their September 2011 meeting, the Board Members asked regarding delegation to the CEO as a result of an increase in the cost / liability for emergency repairs.

The delegations have been reviewed and amended following procedures approved by the Board Members relating to procurement.

PRESENT POSITION:

At their meeting of 26 October 2011 held by correspondence, the Board Members requested this item be discussed at the November meeting.

In my October Minute, it was indicated the delegation spreadsheet was being revised to include references to the Board's procurement procedures that were recently reviewed to meet NSW Government requirements. This has now been incorporated into the attached Schedule of Delegations.

Current delegation levels are indicated in red type and the recommended amendments in green.

RECOMMENDATION:

That the Board Members approve the revised delegations for Mine Subsidence Board staff to apply from the 1<sup>st</sup> December 2011.



Greg Cole-Clark  
Chief Executive Officer  
16 November 2011

**SCHEDULE C**  
**SCHEDULE OF DELEGATIONS**  
**AS AT 17th NOVEMBER 2011**

DELEGATIONS/APPROVALS		CEO	SRE	SAMFA	AMFA	FO	DM	DS
<b>1</b>	<b>Planning:</b>							
	(a) Draft LEPs	No limit (1)	No limit (1)	Nil	Nil	Nil	No limit (1)	Nil
	(b) Subdivision of Land	No limit (1)	No limit (1)	Nil	Nil	Nil	No limit (1)	Nil
	(c) Alteration or Erection of Improvements	\$4.0m (\$2.5m)	\$2.5m	Nil	Nil	Nil	\$1.5m	\$1m
	(d) Certificates	No limit	Nil	No limit	Nil	Nil	No limit (7)	No limit (7)
<b>2</b>	<b>Claims:</b>							
	(a) Claims: Approve S-Compensation	\$25,000	Nil	\$10,000	Nil	Nil	Nil	Nil
	(b) Claims: Approve Rectification	\$200,000 (\$100,000)	\$30,000 (\$20,000)	Nil	Nil	Nil	\$20,000 (5) (8)	Nil
	(c) Claims - Refusal	No limit	No limit	No limit	Nil	Nil	Nil	Nil
<b>3</b>	<b>Infrastructure Contractors: Invite &amp; Accept Tenders:</b>							
<b>3.1</b>	<b>Limited Tenders:</b>							
	(a) Elimination of Danger	\$50,000 (\$25,000)	\$12,000	Nil	Nil	Nil	\$12,000 (\$8,000)	\$12,000 (\$8,000)
	(b) Emergency Repairs	\$50,000 (\$12,000)	\$20,000 (\$12,000)	Nil	Nil	Nil	\$12,000 (\$6,000)	\$8,000 (\$6,000)
	(c) Other Tasks (ie. Urgent & Invited Tendering)	\$50,000	Nil	Nil	Nil	Nil	Nil	Nil
<b>3.2</b>	<b>Open or Selective Tender:</b>							
	(a) Temporary Repairs	\$50,000 (\$12,000)	\$20,000 (\$12,000)	Nil	Nil	Nil	\$12,000 (\$6,000)	\$8,000 (\$6,000)
	(b) Prevention of Damage	\$100,000	\$50,000	Nil	Nil	Nil	\$12,000 (\$6,000)	\$8,000 (\$6,000)
	(d) Other Tasks (Incl Rectification Works)	\$200,000 (\$100,000)	\$30,000 (\$20,000)	Nil	Nil	Nil	\$20,000 (5) (8)	Nil
<b>3.3</b>	<b>Expressions of Interest:</b>	\$500,000	Nil	Nil	Nil	Nil	Nil	Nil
<b>4</b>	<b>Infrastructure Consultants: Invite &amp; Accept Tenders</b>	(\$30,000)	(\$5,000)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
	(a) Investigation of Claims	\$50,000 (\$12,000)	\$20,000 (\$12,000)	Nil	Nil	Nil	\$12,000 (\$6,000)	\$8,000 (\$6,000)
	(b) Limited Tenders:	\$50,000	\$10,000	Nil	Nil	Nil	\$5,000	Nil
	(c) Open or Selective Tender:	\$100,000	\$20,000	Nil	Nil	Nil	Nil	Nil
	(d) Expressions of Interest:	\$100,000	\$20,000	Nil	Nil	Nil	Nil	Nil
<b>5</b>	<b>Goods &amp; Services: Invite &amp; Accept Quotes / Tenders</b>	(\$100,000)	(\$100 (2))	(\$100,000)	(Nil)	(\$2,000)	(\$100 (2))	(Nil)
	(a) State Contract:	\$100,000	\$100 (2)	\$100,000	\$2,000	\$2,000	\$100 (2)	Nil
	(b) Not-in-contract procurement	\$100,000	\$100 (2)	\$100,000	\$2,000	\$2,000	\$100 (2)	Nil
	(c) Purchase and Disposal of Motor Vehicles	No limit (4)	Nil	No limit (4)	Nil	Nil	Nil	Nil
	(c) Writing-off Plant / Equipment & Disposal	\$20,000 (\$2,000)	Nil	\$3,000 (\$2,000)	Nil	Nil	Nil	Nil
	(e) Property Purchase Costs	No limit	Nil	No limit	Nil	Nil	Nil	Nil
	(f) Replacement Dwelling Costs	No limit	Nil	No limit	Nil	Nil	Nil	Nil
	(g) Purchase & Resale of Damaged Improvements	No limit (3)	Nil	No limit (3)	Nil	Nil	Nil	Nil
<b>6</b>	<b>Corporate:</b>	No limit	Nil	No limit	Nil	Nil	No limit (7)	No limit (7)
	(a) Refund of Certificate Fees	No limit	Nil	No limit	Nil	Nil	Nil	Nil
	(b) Cheque Account Signatories	No limit	No limit (6) (No limit)	No limit	No limit (6) (No limit)	Nil	Nil	Nil
	(c) Payment Out of Fund	No limit	Nil	No limit	Nil	Nil	Nil	Nil
	(d) Investment of Funds	\$3m	Nil	\$3m	Nil	Nil	Nil	Nil
	(e) Debt Write-offs	\$2,000	Nil	\$2,000	Nil	Nil	Nil	Nil
	(f) Issue of Stop Work Notices	No limit	No limit	Nil	Nil	Nil	Nil	Nil
	(g) Seek Restraining Order	No limit	Nil	Nil	Nil	Nil	Nil	Nil
	(h) Fix Corporate Seal	No limit	Nil	No limit	Nil	Nil	Nil	Nil

**Abbreviations:**

(1)	As per Policy Manual	CEO	Chief Executive Officer
(2)	Petty cash payments	SRE	Subsidence Risk Engineer
(3)	Limit determined by valuation	SAMFA	Secretary & Manager Finance and Administration
(4)	Limit determined by approved Budget	AMFA	Assistant Manager Finance and Administration
(5)	To accept only, NOT refuse, except where "not undermined" \$10,000 unless DS does report	FO	Finance Officer
(6)	Co-signatory only where cheque value >\$50,000 (To refuse only, under 4(c))	DM	District Manager
(7)	Does not include Section 15B(3A)	DS	District Supervisor
(8)	DM at Picton Office has a separate delegation for Tahmoor project= \$50,000		

**Supplementary Notes:**

- (i) All amounts are excl GST
- (ii) Financial Delegation: Invite & accept "Performance Management Consultants":
- \$50,000 delegation to CEO & SAMFA for Limited Tenders
  - \$100,000 delegation to CEO & SAMFA for Open or Selective Tenders
- (iii) Financial Delegation: Accumulated variations for contractors and consultants (per engagement):
- CEO delegation: The lesser of; (i) 25% of the accepted tender price, or (ii) \$20,000.
  - SRE, SAMFA, DM delegation: The lesser of; (i) 15% of the accepted tender price, or (ii) \$10,000.

**Note:**

- Text in **RED**: Previous requirements, now superseded.
- Text in **GREEN**: New requirements.





MEETING OF THE MINE SUBSIDENCE BOARD  
HELD BY CORRESPONDENCE  
23 NOVEMBER 2011  
MINUTE

**PRESENT:** Rob Regan  
Margaret MacDonald-Hill  
Peter Hayes  
Jeff Maybury  
Greg Cole-Clark

**APOLOGY:** Brad Mullard

**IN ATTENDANCE:**

**Actions**

1. **Confirmation of Minutes of Previous Meeting**  
The Members of the Mine Subsidence Board confirmed the minutes of the meeting on 26 October 2011.

2. **Report on the Management of the Board's Operations**  
At their meeting held at Newcastle on 23 November 2011, the Members of the Mine Subsidence Board discussed and noted the report.

3. **Business arising out of the minutes**

4. **FN80-00645P0—TCLM07-00249P2— LOT 546—DP 9278—NO 17 Chapman Street TAHMOOR—**  
At their meeting held at Newcastle on 23 November 2011, the Members of the Mine Subsidence Board confirmed refusal of the claim under review as it was determined the damage has not resulted from mine subsidence.

The Board Members noted the initial claim assessment accepted 3 of the 4 items for which damage was claimed and cracking to pavement was observed in a Pre-Mining Inspection undertaken on the 12 October 2004.

5. **FN80-01301P0—TCLM11-00772P2—LOT 60—DP 246831—NO 3 Pandora Place TAHMOOR—**  
At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board confirmed refusal of the claim under review as it was determined the damage has not resulted from mine subsidence.

The Board Members noted the claim review identified other possible causes for the damage and a Pre-mining Inspection was not sought.

6. FN80-00550P0—TCLM07-00271P2—LOT 1—DP 245153 NO 45 Brundah Road THIRLMERE—[REDACTED]  
At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board approved the purchase of the property, if this was the preferred option for the claimant. Rebuilding had been approved previously.

The Board Members agreed the structure be demolished following purchase and options for the land would be reviewed in 2 year. They noted additional costs would be incurred as a result of purchasing the property due to mine subsidence damage.

7. FN97-00189N0—TCLM07-00733N1—Lot 402—DP 1000771—No 8 Lilac Close FLETCHER—[REDACTED]  
At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board discussed the legal advice from Kilmurray Solicitors. They asked the Chief Executive Officer to confirm action that will be taken by Stockland before advising the claimant of the Board's position.

8. FN93-01088L0—TCLM11-01970L1—LOT 9—DP 833694—NO 79 Burton Road ELEEBANA—[REDACTED]  
At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board confirmed refusal of the claim as the nearest mining is around 1.5km away and the damage has not resulted from mine subsidence.

9. FN83-01312L0—TCLM11-01950L1—Work Plans 1 to 16, & 20—F3 Freeway—Toronto—ROAD & TRAFFIC AUTHORITY  
At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board approved \$5m as a fund for repairs to the F3 and delegated authority to the Chief Executive Officer for the project. The Board Members agreed that a Scope of Works be submitted to them prior to the construction phase and regular updates are included in the Chief Executive's Management report.

The Board Members approved the payment of \$37,472 to the RTA for urgent works completed and noted additional expenditure was still being negotiated. The Board Members also requested consideration is given to 'loss of useful pavement life' in any discussions.

The Board Members agreed with the CEO's advice that every effort should be made to complete repairs during 2012.

10. FN07-16626P0—Jemena v Mine Subsidence Board  
At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board discussed the status of the Supreme Court litigation with Jemena (formerly AGL). The Board Members ratified the additional expenditure and noted that a summary of advice from the Crown Solicitors Office was being prepared for their consideration.



**11. Chain Valley Bay Residents— Inspection Reports**

At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board discussed the independent reports prepared by A Grieves and A Shirley for 5 properties at Chain Valley Bay.

The Board Members agreed to accept the independent advice in the engineer's reports for Barrow, Cambourn, Fuller / Smith and Gulliver. The Board Members agreed that Axford's claim had been the subject of Court intervention and outcomes have been a matter for the Axfords and Elcom (now Centennial Coal). The Mine Subsidence Board has had no involvement and full disclosure of any settlement has not been made available. The Board Members agreed that, without prejudice, they would agree to compensate the \$2100 for cleaning.

The Board Members requested the Chief Executive Officer;

- i. Correct the summation error in Table 10 of the Fuller / Smith report
- ii. Prepare a brief for the Minister
- iii. Provide a draft correspondence for the Board Members approval. Write to the 5 residents, enclosing a copy of the report.
- iv. Give each of the 5 claimants the opportunity to meet with the Board Members and engineers at a scheduled meeting early in 2012. The residents are to advise if they wish to do this within 14 days of receiving their report
- v. Arrange for payments agreed to by the Board Members to be made to those residents who do not request an appearance before the Board.

**12. FN67-03336L0—TBA11-19470L1—LOT A—DP 387434—NO 181 Pacific Highway CHARLESTOWN—TEMPLAR CHARLESTOWN DEVELOPMENT**

At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board noted that the Board's approval has expired, although the applicant has Lake Macquarie City Council approval to 2013. As there are no changes to the application, the Board Members approved the development for a further 2 years.

**13. FN11-08700P2—TBA11-07778P2—1 (PART 17) DP PART 270536—LEND LEASE COMMUNITIES (WILTON)**

At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board approved the buildings subject to the following design conditions:

- 1) The final drawings to be submitted prior to commencement of construction, contain a certification by a qualified structural engineer, to the effect that any improvement constructed to meet the specifications of such final drawings will be safe, serviceable and repairable taking into account the following mine subsidence parameters:
  - a. Maximum vertical subsidence of 950 mm
  - b. Maximum ground strains of  $\pm 2.5$  mm/m
  - c. Maximum tilt of 6 mm/m
  - d. Maximum radius of curvature of 10,000 metres
- 2) Final drawings are to show brickwork articulation in accordance with the Building Code of Australia.
- 3) Attention is to be given to all internal finishes to ensure they have been installed in accordance with relevant codes and standards. Particular attention is to be given to tiled areas.



- 4) Drainage/sewer design needs to provide for subsidence effects determined in the geotechnical report. This may necessitate additional downpipes and drainage points.  
Drainage pits are to be designed for subsidence movement.
- 5) All major services are to be located under landscaped or turfed areas to limit removal of hard stand areas to carry out repair or replacement of services.
- 6) Roads and driveways are to be constructed in bitumen or flexible pavement. If concrete areas are required, specific design is to be provided to demonstrate the area will remain safe and serviceable and any damage will be slight. Concrete design would need to include full articulation and separation /sacrificial sections where appropriate. Kerbing is to be articulated and have minimum points for surface and roof drainage access. The Board would not consider repairs where damage is within the Board's Pavement Policy at the time of mining.
- 7) All windows are to be installed to the underside of caves lining or be light weight construction above, unless specific design is provided for brickwork above and below windows.
- 8) Upon completion of construction, work as executed certification by a qualified structural engineer is to be forwarded to the Board confirming construction was in accordance with the plans submitted.
- 9) Permanent survey marks shall be established on each of the buildings following their construction. A baseline survey shall be undertaken upon installation of the survey marks and a further set of readings taken after 12 months. The location of all permanent survey points and the survey results shall be provided to the Mine Subsidence Board.
- 10) Approval is granted in the knowledge the Mine Subsidence Board would not consider releveling structures where tilts are less than 7mm/m.

The Board Members did not approve the swimming pool as it exceeds guidelines and the applicant had not demonstrated it can be designed to accommodate future mine subsidence impacts. They delegated authority to the CEO to approve the swimming pool, or variation thereof, if satisfied the pool will not be damaged by mine subsidence.

**14. FN11-26990W1—TBA11-19477W1—LOT 16—DP 1170652—Gahnia Place  
HAMLYN TERRACE—THOMAS PAUL PROPERTY GROUP PTY LTD**

At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board confirmed approval subject to the following conditions:

1. The final drawings to be submitted prior to commencement of construction, contain a certification by a qualified structural engineer, to the effect that any improvement constructed to meet the specifications of such final drawings will be safe, serviceable and repairable taking into account the following mine subsidence parameters:
  - a. Maximum ground strains of  $\pm 2$  mm/m
  - b. Maximum tilt of 2 mm/m
2. Structural separation of units at 22 metre maximum centres.
3. Masonry walling is to be fully articulated taking into consideration, the Building Code of Australia site conditions and mine subsidence parameters affecting the property.
4. The location of articulation joints are to be clearly shown on plan and elevations.



5. Attention is to be given to all internal finishes to ensure they have been installed in accordance with relevant codes and standards. Particular attention is to be given to tiled areas.
6. Drainage/sewer design needs to provide for subsidence effects determined in the geotechnical report. This may necessitate additional downpipes and drainage points. Drainage pits are to be designed for subsidence movement.
7. Roads and driveways are to be constructed in bitumen or flexible pavement. If concrete areas are required, specific design is to be provided to demonstrate the area will remain safe and serviceable and any damage will be slight. Concrete design would need to include full articulation and separation/sacrificial sections where appropriate. Kerbing to be articulated and have minimum points for surface and roof drainage access. The Board would not consider repairs where damage is within the Board's Pavement Policy at the time of mining.
8. Upon completion of construction, work as executed certification by a qualified structural engineer is to be forwarded to the Board confirming construction was in accordance with the plans submitted.

**15. FN01-08838L0—TENQ05-00383L4—Lot 223— DP.551260 Dudley Road CHARLESTOWN—UNITED AGED CARE**

At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board made a recommendation to advise the applicant that the Board would consider high-rise structures upon receiving an application with supporting details including:

- (a) Modelling of structures in the event of a worst case scenario as indicated by the geotechnical assessment
- (b) Advice that structures over 8 storeys will not be damaged in the event of mine subsidence.
- (c) The Board may not approve structures if basements are involved.
- (d) Provision to allow for accuracy of workings
- (e) Certification by a qualified engineer as to design.
- (f) Supporting geotechnical advice
- (g) Separation of the area in distinct zones

The Board Members delegated authority to the CEO to continue discussions with the applicant to ensure that the development application is designed to limit any potential liability that could arise from mine subsidence damage.

**16. FN89-02746S0—TBA11-19507S1—LOT 2—DP574166, LOT 2—DP808431 & LOT 1—DP 808431—LIDDELL—COAL AND ALLIED**

At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board confirmed approval subject to:

Final drawings, to be submitted prior to commencement of construction, are to contain certification by a qualified structural engineer to the effect that the conveyor has been designed for mine subsidence parameters determined by a geotechnical consultant and that in the event of mine subsidence the structure will remain safe and serviceable and any damage would be slight, localised and readily repairable.



17. FN00-03087S0—TBA11-19483S1—LOT 1—DP233020, LOT 1—DP532671, LOT 4—DP 532671 & LOT 1—DP532672—HEBDEN—ARTC

At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board approved the development subject to:

1. Final drawings are to be submitted to the Board prior to construction
2. Upon completion of construction, work as executed certification by a qualified structural engineer is to be forwarded to the Board confirming construction was in accordance with the plans submitted.

If the Division of Resources and Energy - Coal Advice confirms there are coal resources beneath the area then the additional conditions are to apply;

3. The applicant is to be advised that there are coal resources beneath the site and these may be mined in the future.
4. Signaling and communication cabling is to be installed to allow for ground movement that is expected to be associated with mine subsidence.

18. FN10-22404S1—TBA11-19517S1—LOT 1—DP449423, LOT 3—DP 212284 & LOT 1 DP 212284—NUNDAH—ARTC

At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board approved the development subject to:

1. Final drawings are to be submitted to the Board prior to construction
2. Upon completion of construction, work as executed certification by a qualified structural engineer is to be forwarded to the Board confirming construction was in accordance with the plans submitted.
3. The applicant is to be advised that there are coal resources beneath the site and these may be mined in the future.
4. Signaling and communication cabling is to be installed to allow for ground movement that is expected to be associated with mine subsidence.

19. FN71-07490N0—TBA11-19566N1—LOT 4—DP 1010675—NO 282 King Street NEWCASTLE—NEWCASTLE CITY COUNCIL

At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board approved the application subject to:

1. Removal of the risk of mine subsidence damage by the grouting of the Yard and Borehole Seams and then designing the structures to cater for the residual mine subsidence referred to in the Douglas Partners Report No 49799. The grouting proposal is to be acceptable to the Mine Subsidence Board.
2. At the completion of grouting a report is to be provided confirming the work has been successfully completed as proposed and the design parameters determined in the Douglas Report No 49799 will not be exceeded.
3. The final drawings to be submitted prior to commencement of construction, contain a certification by a qualified structural engineer, that the structures have been designed such that they will not be damaged should the residual mine subsidence referred to in the Douglas Partners Report No 49799 occur.
4. Permanent survey marks shall be established on each of the buildings following their construction. A baseline survey shall be undertaken upon installation of the survey marks and a further set of readings taken after 12 months. The location of all permanent survey points and the survey results shall be provided to the Mine Subsidence Board.



5. Upon completion of construction, work as executed certification by a qualified structural engineer is to be forwarded to the Board confirming construction was in accordance with the plans submitted.

20.

**Delegations Schedule C**

At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board reviewed and approved the revised Schedule C delegations for Mine Subsidence Board staff to apply from the 1st December 2011.

21.

**FN91-01066P0—TCLM11-00843P2—Huen Place—Wollondilly Shire Council**

At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board approved funding of \$170,000 to cover the estimated cost of repairs to the road and drainage.

The item is not included in the Agenda Papers and was tabled at the meeting for consideration by the Board Members.

22.

**FN91-01066P0—TCLM11-00842P2—Stuart Place TAHMOOR—Wollondilly Shire Council**

At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board approved funding of \$235,000 to cover the estimated cost of repairs to the road and drainage.

The item is not included in the Agenda Papers and was tabled at the meeting for consideration by the Board Members.

23.

**FN94-00306P0—TENQ95-00064P0—LOT 2—DP 835196—NO 153 MENANGLE RD MENANGLE—Durham Green Retirement Village**

At their meeting held at Newcastle on 23 November 2011 the Members of the Mine Subsidence Board approved development of the Dementia Ward only subject to design conditions to be set by the CEO so the structure will remain safe and serviceable and any damage would be slight and readily repairable and restricted to the full articulation joints.

The structure exceeds surface development guidelines. The conditions are to require the owner to provide a plan to demonstrate how the structure will be managed during the mining process. The approval is granted based on research and development is to be undertaken to enable a report on the performance of the structure during mining to be provided to the Mine Subsidence Board.

The Board Members advised that the conditional approval is without prejudice and is not to set a precedent for other 3 storey development in the area or in any way to suggest the existing 3 storey structure, constructed without approval, was acceptable to the Mine Subsidence Board.

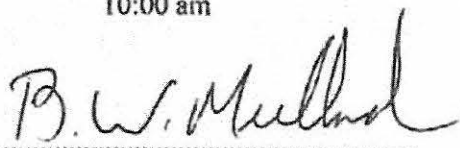
The item is not included in the Agenda Papers and was tabled at the meeting for consideration by the Board Members.

Next Meeting:

Venue: By Correspondence

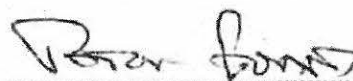
Date: 16 December 2011

Time: 10:00 am



Chairman

20 December 2011



Chief Executive Officer

20 December 2011