

Policy 3.03 Infrastructure Contributions

Document Number: PCY03.03

Date approved: 18/05/2023

Strategic Initiative

Strategic Initiative: Sustainability
Commitment: Permanence

Policy

Aqwest requires financial contributions from developers for water supply, in the licence area, at subdivision' and 'building' stages, as provided under the *Water Services Act 2012*.

The Board delegates its authority to determine and approve developer's contributions at Subdivision and Building stages to the General Manager Water Services.

Objective

1. INTRODUCTION

This Policy identifies the contributions required from developers for the provision of water supply service at subdivision and building stages.

2. DEFINITIONS

a) "Building" refers to building development or re-development which is the subject of an application for a Building Licence under the provisions of the *Building Act 2011*.

b) Water Service

Means a water supply.

c) Single Residential Equivalent (SRE)

This term refers to the water demands determined by Aqwest as being likely from one single family residence or unit and is a function of the peak flow rate and annual consumption.

d) Dwelling Unit

A dwelling unit is defined as all residential accommodation, with the exception of the single-family residence, located on a single land holding or lot and includes all grouped or multiple dwellings such as duplex, triplex, quadruplex, home unit, multiplex unit, villa house, row house, patio house, terrace house, town house, retirement village complexes, etc.

e) Standard Headworks Contribution (SHC)

The Standard Headworks Contribution is the charge applied to each assessed Single Residential Equivalent (SRE).

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Guidelines

1. WATER SUPPLY

a) Water Supply Headworks

The subdivider shall contribute towards the cost of infrastructure through standard infrastructure contributions, with the exception of developments where a new water supply scheme is to be constructed to solely meet the needs of the development.

In that case the subdivider will meet the full cost of all infrastructure.

However, the Board will consider variations to this requirement where it is satisfied that any alternate funding proposal demonstrates value and overall betterment.

b) Water Supply Reticulation

The subdivider shall meet the full cost of the works to provide water supply to the area being subdivided. The works shall consist of a water main across the full frontage of each lot created.

This does not include the remaining lot or Balance of Title for a staged subdivision.

In the instance that a subdivided/ amalgamated lot has a two (2) or more road frontage it will be necessary to determine which frontage of the lot is to be serviced by the water main extension.

This shall be approved by Aqwest.

c) Subdivisions Outside of the Area presently supplied with Water.

When land outside of areas already supplied with water is being subdivided the subdivider shall meet the cost of the connecting main between the subdivision and the existing reticulation within the supply area.

d) Land for Water Supply HeadWorks

The subdivider may be required to provide land from within the subdivision for water supply headworks. However, reasonable payment will be made for this land by Aqwest as determined by a valuation from Land Valuation Services.

e) Water Supply Infrastructure - Standard Contributions

(i) The standard infrastructure contribution will be reviewed annually in the budget process and approved by the Minister.

(ii) The contribution for water supply infrastructure shall be one standard infrastructure contribution for each additional lot serviced over 600 square metres. For lots under 600

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square metres the contribution shall be 87% of one standard infrastructure contribution for each additional lot created. This contribution will apply irrespective of the nature of the planned land use.

f) Pre-laid Water Service Connections

The subdivider shall install pre-laid water service connections to a position adjacent to at least one frontal boundary of the proposed lot.

2. DESIGN AND CONSTRUCTION

The subdivider may arrange for water supply mains, to be designed by a consulting engineer and constructed by contractor. In such cases, the consulting engineer is required to be eligible for Corporate Membership of the Institution of Engineers Australia and experienced in water supply work and to be acceptable to Aqwest. Additionally, the design, construction testing and as constructed survey work has to conform to relevant legislation, the Water Supply Code of Australia WSA03-2002 (as published by the Water Services Association of Australia Inc.) and Aqwest's Reticulation Specification.

The Developer shall pay a scheme planning fee of 3% of Aqwest's estimated value of all works carried out by contractors.

All connections to Aqwest's existing system shall be made by Aqwest at the Developer's cost.

A defects liability period of twelve (12) months shall apply to all works constructed by contractors. Retention monies may be held during the defects liability period which may be substituted by Bank Guarantee.

3. FINAL SUBDIVISION CLEARANCE FOR THE STATE PLANNING COMMISSION

The final clearance required by the Western Australian Planning Commission will be provided by Aqwest when the subdivider has:

- lodged two copies of the final plan or diagram of survey with Aqwest; and
- where the works are being constructed by Aqwest, accepted the agreement and prepaid the quoted amounts: or
- All of the conditions contained in Aqwest's Reticulation Specification have been met.
- Where the works are being arranged by contract, the Developer has, prepaid the costs of the connecting link and headworks charges and had the contract construction completed and the works and as constructed information accepted by Aqwest.
- An alternative to the last part of this requirement can generally be arranged at the time of awarding a contract by providing Aqwest with an unconditional bank guarantee to the value of

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the contract, plus 30%, as a performance bond to be held by Aqwest until the completion of the Works and their acceptance by Aqwest for a maximum period of six (6) months.

4. INFRASTRUCTURE CONTRIBUTIONS AT THE BUILDING OR CONSTRUCTION STAGE

a) General

Persons or organisations who propose to develop land by the construction of facilities having estimated water demands in excess of one single residential equivalent are required to advise Aqwest of their proposals and to pay infrastructure contributions for water based on the additional single residential equivalents involved.

Likewise, the redevelopment of land in a manner which increases the water demands requires the payment of water infrastructure contributions based on the additional single residential equivalents involved.

b) Residential

Infrastructure contributions for residential developments will be assessed on the basis of the number of dwelling units less any credit for the lot on which development is taking place. The proportion will be calculated as set out in the Schedule below.

<u>Category</u>	<u>SRE Multiplier Per Unit</u>
Duplex Unit	0.87
Triplex Unit	0.83
Home Unit in Group of:	
4 to 7 Units	0.77
8 to 12 Units	0.75
13 to 20 Units	0.73
21 Units and above	0.71

c) Commercial Industrial and all Other Non-Residential Developments

In respect to commercial, industrial and all other non-residential developments, the developer shall advise Aqwest of the nominal flow rate of water, in litres per minute, required to service the development.

This request will be considered in relation to the ranges of flow Aqwest is prepared to supply (see Appendix "1"). The infrastructure contribution payable will be assessed on the basis of the number of S.R.E.'s represented by the nominal flow rate requirement of the developer less any credit for the lot.

Where redevelopment is proposed the infrastructure contribution payable shall be assessed after taking into consideration the nominal flow rate of water provided to the previous development.

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d) Exceptions

Development contributions shall not be payable in respect to residential buildings which provide accommodation for no more than one family unit per lot, including a granny flat.

They shall also not apply to any development which does not generate water demands in excess of amounts determined by Aqwest as being likely from a single residential equivalent in the area concerned.

The contributions are also not to apply to redevelopments unless the estimated future water demands are greater than those of the previous development on the lot.

e) Building Stage Infrastructure Charge

Any development which will use water in excess of the usual demand of a single residential property is required to pay Building Stage Headworks Charges to Aqwest.

Aqwest reserves the right to install a flow control device to limit the flow available to a development to the flow rate nominated at the time of the calculation of the infrastructure charge.

5. FINANCIAL PROCEDURES

Infrastructure contribution charges are reviewed on an annual basis and are included in both the annual fees and charges and annual budget documentation.

All works are to be prepaid.

6. CONNECTION OF BENEFICIARY LOTS TO WATER MAINS EXTENSIONS

This section of Policy applies to properties that have acquired service availability as a result of water pipes being laid past the property to connect to another property, or development. These properties acquiring service availability are referred to as Beneficiary Lots.

Owners of these lots incur the following charges:

a) Annual Supply Charge

These apply to Beneficiary Lots when the service becomes available and the customer is notified of its availability whether the property is connected or not.

If a water main runs within or adjacent to the boundary of the land and can have a water connection.

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b) Infrastructure Contribution Charges

Where a property gains water service availability as a result of a water mains extension, infrastructure contribution and connection fees are payable when a connection sought.

c) Connection Fees

Connection Fees are payable in addition to infrastructure Contribution fees in accordance with Aqwest Policy 3.4 Water Supply Connections.

7. VACANT (SURVEY) STRATA LOTS

General

The Strata Titles Act permits the creation of Survey Strata Plans which are in effect vacant lots on which buildings are to be constructed. Unlike traditional strata's, Survey Strata Plans will permit lots and common property to be defined by survey information.

The lot creation process is therefore similar to a normal subdivision undertaken under the Transfer of Land Act.

Each lot created, for the purposes of calculating charges and fees, will be treated as an individual lot.

Servicing

Aqwest will issue a clearance for the survey strata plan when the following conditions have been met:

- a) Connections to water must be available to each of the proposed strata lots in the subdivision.
- b) Where two survey strata lots are created, one of which does not have direct access to Aqwest's water main, Aqwest will provide a single service with a meter at the boundary of the near lot. Internal plumbing shall be provided by the plumber through the intervening property.
- c) Where more than two survey strata lots are created where the majority do not have access to Aqwest's water main, Aqwest will provide a single service at the boundary.

Definitions

N/A

Background

N/A

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Document Management

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Responsible Manager: General Manager Water Services

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31	18/05/2023	2.13	May 2026	Aqwest Board of Directors	Chief Executive Officer

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APPENDIX 1

Flow Rate Chart

Service Size (mm)	Nominal Flow Rate (litres / minute)	SHC
20	20	1
25	40	2
25	60	3
40	80	4
40	120	6
50	180	9
50	230	11.5
80	340	17
80	470	23.5
100	600	30
100	750	37.5
150	1100	55
150	1500	75
150	2000	100