



| | |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>access route signage</p> <ul style="list-style-type: none">Regional marketing program post construction. |
| Impacts on Access | <ul style="list-style-type: none">Discussion on specific access issues including relocation of business signageMinimising the impact on access to private and public propertiesGood public information about delays and diversions on Melba Highway during construction.Information about alternative routes where access across the Melba Highway is prevented during constructionSpecific on the ground access route signage and redirection/detour information. |
| Traffic and Safety Impacts | <ul style="list-style-type: none">Early information to all neighbouring and nearby properties about the extent and nature of traffic and the construction schedule.Ensuring the safety of all road users including, cyclists and pedestrians who may be affected by changed traffic patterns and increased heavy trafficEnsuring that heavy construction traffic always uses agreed routes and does not use minor local roads in particular those containing sensitive land uses e.g. vineyards and tourism/recreational areasIt will be important to carefully manage localised traffic impacts especially traffic and safety considerations for vehicles accessing and egressing properties, and at intersections with local access roads which are important to maintain local and regional connectivity |
| Noise and Vibration Impacts | <ul style="list-style-type: none">Discussion with land/business owners on potential noise issues including likely impacts and timing and any key times related to business operationsEarly information to all neighbouring and nearby properties about the extent and nature of the likely noise impacts during construction and any measures to be put in place to control noise, including ensuring that construction does not take place at appropriate hoursInformation on potential noise issues during operation and access to information/complaints mechanism as noted above in the event of problems |
| Air Quality Impacts | <ul style="list-style-type: none">Early information to all neighbouring and nearby properties about the extent and nature of the likely dust and air pollution impacts during construction and any measures to be put in place to control dust and air pollution, particularly due to the drought there will be heightened awareness to the implications of dust and the difficulty of controlling it. |
| Visual Impacts | <ul style="list-style-type: none">Early reinstatement of vegetation wherever possibleLandscaping for facilities where appropriateGood information to the community about means to deal with visual |



| | |
|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>impacts</p> <ul style="list-style-type: none"> ■ Involvement of the interested businesses/community groups in the development of mitigation measures. |
| Tourism & Recreational Impacts | <ul style="list-style-type: none"> ■ Ensure access to recreational areas is maintained wherever possible ■ Ensure any limitation on access to tourism businesses is as short a duration as possible. Assist in signage for detours/redirection and alternative access routes as far as possible ■ Take into account proposals on access above ■ Take account of seasonal requirement to various tourism and recreational pursuits/businesses including avoiding operations at peak visitor periods/locations as far as possible ■ Good and on-going communication with peak tourism/recreational bodies to ensure that information is available within the recreational community, e.g. Yarra Ranges Regional Marketing Limited, the regional and local tourism associations, the ski industry and Lake Eildon and associated water sports ■ Ensure relevant project information is available through regional VICs ■ Work with local business and community to identify and maximise potential benefits for the community. As noted these could include local involvement in the construction and/or O&M operations or support activities such as local accommodation and catering opportunities. They could also include the development of new fire access tracks, new power supplies in conjunction with the pumping stations, new fences and farm tracks and/or the sponsoring of needed new community facilities |
| Natural Heritage impacts | <ul style="list-style-type: none"> ■ Minimise impacts on valued stands of vegetation both within the road reservation and on public and private property ■ Involve local business and community groups in replanting programs ■ Provide information on project activities to minimise environmental impacts including any agreed monitoring programs to relevant tourism operators |
| Cultural Heritage Impacts | <ul style="list-style-type: none"> ■ Minimise impacts on cultural heritage places on public and private property ■ Involve local business and community groups in heritage conservation and possibly reuse opportunities ■ Provide information on newly identified cultural heritage places where appropriate, promote project activities to minimise cultural heritage impacts including any agreed monitoring programs where relevant |



| | |
|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <ul style="list-style-type: none">▪ Facilitate as far as possible any required conservation processes▪ Facilitate the extension of heritage drives/walks to include new places |
|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



1. Introduction

1.1 The Sugarloaf Pipeline Project

The Sugarloaf Pipeline Project aims to deliver additional water supply to Melbourne. The Project is a key component of the Victorian Government's *Our Water, Our Future The Next Stage of the Government's Water Plan* (DSE, 2007), which aims to secure Victoria's water supplies in the face of drought, climate change and a growing population.

The pipeline will transfer 75 gigalitres per annum of water from the Goulburn River into the Melbourne water distribution network via Sugarloaf Reservoir in the Yarra Ranges. Water for the Sugarloaf Pipeline will be sourced from savings achieved through the Food Bowl Modernisation Project, which involves modernisation of irrigation infrastructure in the Goulburn-Murray Irrigation District.

The project will involve the construction and operation of a water pipeline, approximately 70km in length, a Goulburn River intake pump station, a balancing storage, a high lift pump station to deliver water to Sugarloaf Reservoir and associated electrical infrastructure.

The pipeline will be constructed in the existing road reserve, public land and private land. The pipeline alignment will be selected to ensure the least impact and disruption to the environment and public, but must also be practical to construct.

The planning, design and construction phases of the Sugarloaf Pipeline Project will be undertaken by the Sugarloaf Alliance, an alliance formed by Melbourne Water Corporation with SKM Pty Ltd, GHD Pty Ltd, and John Holland.

1.2 Purpose and Scope of the Study

The purpose of the socio-economic and tourism study is to:

- Identify and document the relevant regional socio-economic and tourism profile and identify the key economic and tourism facilities, features and issues within the pipeline corridor that may be affected by construction and operation of the pipeline. This information will assist in informing the development of the preferred pipeline corridors
- Identify any other key economic and/or tourism assets/enterprises in the region that may be affected by construction and operation of the project
- Identify any possible beneficial or adverse effects for specific localities or for individual economic and/or tourism assets
- Estimate the potential economic impact of the project



- Determine appropriate mitigation measures to eliminate or reduce any adverse project effects on key economic and tourism facilities and features, reduce overall project risk and minimise the residual risk
- Identify any initiatives that could enhance the regional benefits of the project.

The study is part of the total assessment process designed to ensure that:

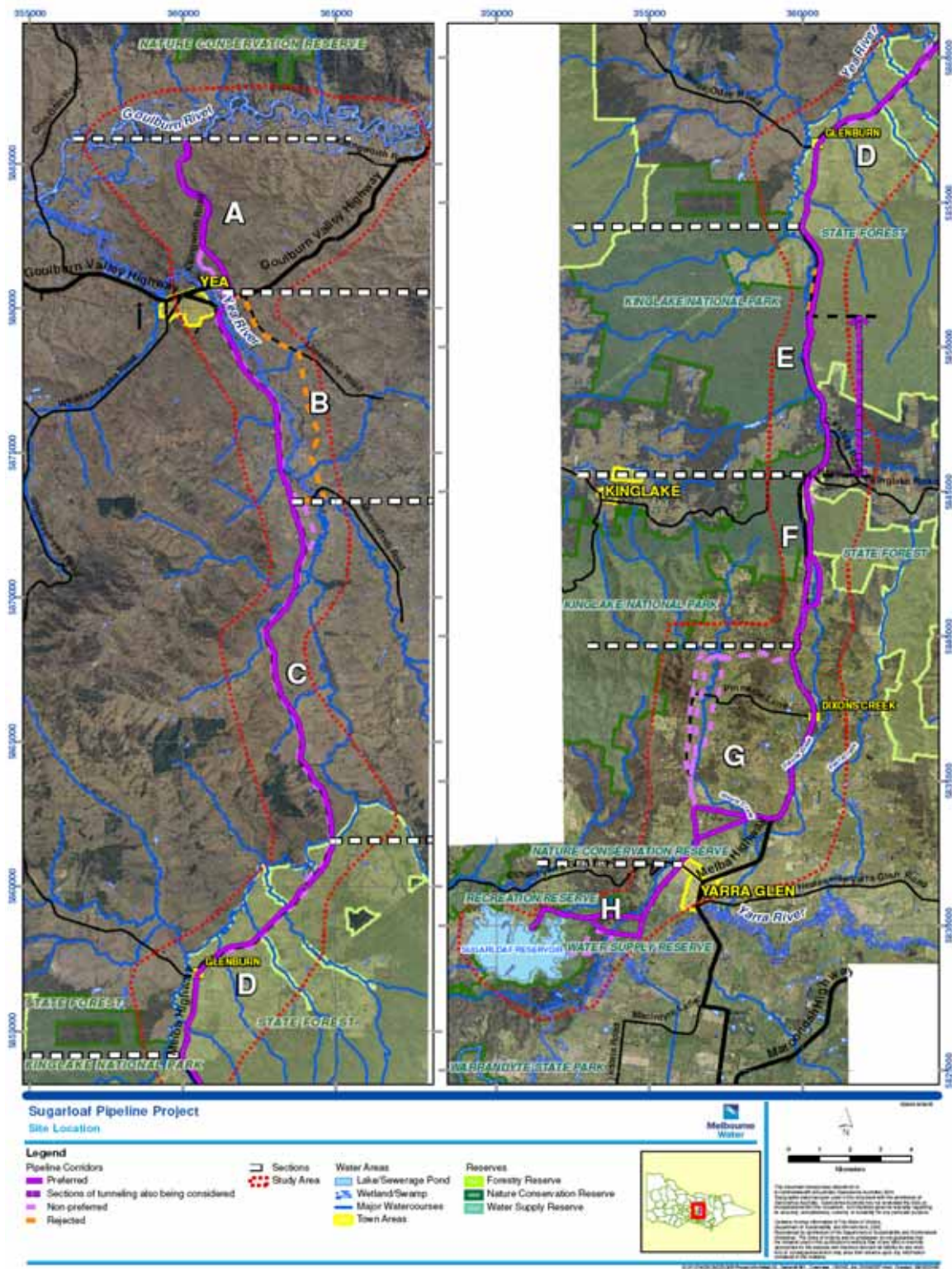
- There are no significant adverse effects on the regional economy based on ensuring that appropriate mitigation measures are in place to minimise the risk of adverse effects and that any residual risks are managed through a sound EMP process
- Potential regional economic beneficial effects are maximised.

This study does not include a financial and/or cost benefit assessment of the project which has been undertaken separately.

1.3 Study Area

The Sugarloaf Pipeline will begin at an off-take point at the Goulburn River north of Yea (approximately 100 km northeast of central Melbourne) and end at the Sugarloaf Reservoir in the Yarra Ranges. The study corridor for the project is two to four kilometres wide and broadly follows the alignment of the Melba Highway through the Yea River valley. The general location of the pipeline corridor and associated infrastructure siting options, within the study corridor, is shown in Figure 1.

■ Figure 1 - General Location of Pipeline Corridor





2. Assessment Criteria

Table 2 below indicates the impact categories and assessment criteria considered in this report.

■ **Table 2: Impact Categories and Assessment Criteria**

| Impact Category | Specific Impacts |
|----------------------------------------------------------|--------------------------------------------------------------------------------------------|
| Impacts on Business/Property owners and Operators | Land Acquisition |
| | Disruption to current land/business uses |
| | Duration of impacts to property/business |
| | Proximity of Construction works to business |
| | Psychological/emotional distress |
| | Changed land management practices |
| | Impacts on movement of stock and equipment |
| | Short term potential loss of privacy |
| | Reduced profitability of current land uses |
| | Short-term requirement to relocate business activities including stock during construction |
| | Potential to introduce disease and/or weeds to longer term detriment of farming activity |
| Access | Access to and from property/business |
| | Customer access |
| | Access to public land |
| | Emergency service access to residents and bushland |
| | Perception of access difficulty reducing number of visitors |
| Traffic and Safety | Congestion and disruption to traffic flows in and around major townships |
| | Reduced road safety for pedestrians, cyclists and motorists. |
| | Delays and disruption for Melba Highway motorists |
| Noise and Vibration | Amenity impacts for Business owners/operators and customers |
| | Annoyance/psychological distress |
| Air Quality | Visitor Perception |



| | |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Amenity and health impacts for residents/visitors |
| Visual Impacts | Visual impacts of construction works |
| | Visual impacts of site offices |
| | Visual impacts of pumping stations |
| Tourism and Recreation | Impacts on recreational use of waterways |
| | Amenity impacts on public land on or near alignment |
| | Impacts on tourism businesses |
| | Visitor perception that construction activity has affected regional tourism businesses availability and/or region is less attractive during the construction period. |
| Natural Heritage | Loss of flora and fauna valued by the community |
| | Potential environmental impacts on the Goulburn and Yea Rivers |
| | Loss of flora and fauna of environmental significance |
| Cultural Heritage | Loss of, or damage to, key Cultural Heritage Places |
| | Loss of Access to key Cultural Heritage Places |



3. Existing Conditions

The land use within the pipeline corridor has been assessed and the broad economic and tourism assets identified. These assets are set out in Table 3 by corridor section and include some natural areas which are used for paid tourism, recreational and educational activities although the majority are businesses and commercial assets.

A description of the assets and the potential economic impact on them of the project construction is described in more detail below. An assessment of the possible impacts is provided in Chapter 4.

■ **Table 3 - Location of Key Economic and Tourism assets by Pipeline Corridor Section**

| Corridor Section | Key Corridor Section Features |
|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A: Goulburn River to Yea Township | Goulburn River Killingworth Reserve Grangeworth Thoroughbreds Yea Wetlands Yea Township Yea Caravan Park Yea Motel Rees Miller Estate Lawson Angus |
| B: Yea Township to Tee Creek Road | Farming properties |
| C: Tee Creek Road to Stuarts Road | Farming properties |
| D: Stuart Road to Toolangi State Forest | Farming properties (to be confirmed) Glenburn Hotel Glenburn Service Station Summer Berry Farm Glenview Park Farm Stay Kinglake National Park Toolangi State Forest Castella Quarries |
| E: Toolangi State Forest | Kinglake National Park Toolangi State Forest Kinglake Homestead |
| F: Toolangi State Forest to Hunts Lane | Kinglake National Park Karong Lodge Casanova Boarding Kennels and Cattery Dixons Creek Boarding Kennels and Cattery Yarra Valley Conference Centre Dalwood Boarding Kennels and Cattery Hirsch Hill Estate (vineyard) Noonan's Orchard Steels Creek Estate |



| Corridor Section | Key Corridor Section Features |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Shantell Vineyard & Winery Sutherland Estate Berry Café and Wine Centre Leaffield Cottages Brockspit Ecofarm |
| G: Hunts Lane to Healesville – Yarra Glen Road | Fergusson Vineyard Allinda Winery Balgownie Estate De Bortoli Winery Araluen Lodge Acacia Ridge Yarrowood Winery Roundstone Winery Holly Lane Stud Pty Ltd Amethyst Lodge Millers Dixon Creek Estate Immerse (Winery, accommodation and Spa) Mandala Winery Mulbryn Poll Hereford Stud Lilydale Instant lawn The Yileena Park Vineyard Valley Guest House Amadeus Lavender Farm Brammar Estate Sunflower Cottage Grapevine Cottage Valley View B & B Note: Three ballooning operations operate in this area plus five winery tours (3 full time 2 part time) |
| H: Sugarloaf Reservoir | Sticks Winery Oliver Street Sugarloaf Reservoir and Reservoir Park |

The following describes each section of the pipeline corridor and the preferred corridor options and the activities and impacts contained therein.

3.1 Corridor Sections

3.1.1 Corridor Section A

A pump station will pump water from the Goulburn River, to the north of Yea. This facility will be located within the vicinity of Killingworth however the exact location is yet to be determined.