

**THE PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS MET IN  
THE CONFERENCE ROOM, HENTY HOUSE, LAUNCESTON, ON WEDNESDAY  
13 DECEMBER 2006.**

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**LILYDALE TO SCOTTSDALE, HURST CREEK TO OAK DENE ROAD - ROAD  
DEVIATION**

**Mr LES LETTE AND Mrs NOELINE LETTE WERE CALLED, MADE THE  
STATUTORY DECLARATION AND WERE EXAMINED.**

**CHAIR** (Mr Harriss) - Welcome. You are aware that when we convened at Scottsdale we considered the project as an entity and visited the site. We saw the location of your dam and we had your representation before us. We are here looking at another project and it gives us the opportunity to hear your verbal evidence. Following that we will hear from Graeme Nichols of the department. We have copies of letters between the council and the department. We have the council general manager's letter of 28 November and Graeme's response of 4 December.

**Mr LETTE** - I will give you a rundown on the dam and then you can ask questions. The dam has been there for 40 years. It was built to Rivers and Waters Board specification and council approval. There was no written approval from the council 40 years ago, it was just word of mouth from whoever the mayor was.

The dam holds 4.6 megalitres, which you realise is not a very big dam. DIER estimated the water on the southern side at 0.12 megalitre. When Mr Nichols was questioned on that he said, 'A minimal amount'. On the northern side he said, 'There's only a heap of sags on that side'. That is the side the dam is on; that is a swamp, which floats up and down.

Any calculation must consider the cumulative effect of that loss. If you pump the dam down, of course it goes it down. But suppose you get a week of wind, the dam comes up, and I lose that 0.2 of a megalitre each time. If that happens 20 times during the year you can see the cumulative effect. If it rains - and you don't pump when it rains - the dam fills up and runs over the spillway. It could happen 20 times a year and if you multiply that by 0.2, which is a very small amount, it could end up 4 megalitres for the year, which is the capacity of that dam.

I am not seeking anything more than a lost water capacity. The increase of the height of the dam wall will do this. It will also mean that I will not suffer any financial loss as a result of the dam works. I am prepared to do the dam works myself, at my cost, to make up for the water that I think I am going to lose.

DIER say I have no legal right to be compensated for loss of the water which backs up through the culvert. The mere fact that there has been no formal agreement may not be sufficient to deny me the right to continue to do so.

The dam is about a metre down from where the road is now. Mr Nichols said, 'The road floods'. I am 60 years old and I have never seen the road flood, even when a dam above

me burst. It goes over my dam wall first. He didn't mention the fact that above the old road there will be a four-metre fill, so if I put a metre on my dam there will still be four metres of roadfill above the dam.

There will be a stock underpass constructed very close to the creek, which will take a heap of water anyway, plus the culvert. The stock underpass will be below the level of the wall, the top 4 metres. It has to be below the road for the stock to go under so if we had a huge flood it would go through the stock path as well as the culvert.

It was mentioned that 'you want to get on with the job'. About this time last year we started talking and every time I met with Graeme, he kept on shifting the goalposts. Firstly he said, 'You won't get a permit to build the dam'. I am on the bottom end of Hurst Creek, which incidentally has not run this year. No water came down into my dam from Hurst Creek, it comes from a spring on the southern side. He said 'You won't get a permit', so I went to the Water Management Branch of DPIWE in April and Steve Pryor said, 'No worries, I'll take it back to everybody'. He took it back and came back and said, 'It's not a problem'. The dam is only a sump really, like the up and down level. I paid my \$1 000 deposit but I cannot put anything in the paper yet until we get -

**Mrs NAPIER** - Who said that?

**Mr LETTE** - Stephen Pryor.

**Mrs NAPIER** - From DPWIE?

**Mr LETTE** - The Water Management Branch of DPIWE.

So we got over that one, that was okay. Then three weeks ago, Graeme said, 'It's a council road, they won't let you put that water there', which is already there anyway. So I rushed around to the council, and found it was not a problem with them.

Greg did mention this report which suggests that it could be blocking a spring. We are not really blocking the main spring off; there is a small soak there where the road is going to go and it will block off that, which is fairly irrelevant. The main spring comes from the southern side down; there are no springs on the northern side coming into the dam; they all come from under that road.

**Mrs NAPIER** - So you are saying that all the water comes from the southern side, which is where that marsh area is - a little bit of water?

**Mr LETTE** - Yes.

**Mr HALL** - The northern side is where the dam wall is, is that what you are saying?

**Mr LETTE** - Yes. The northern side is where the dam is. It backs up - it is a fairly flat area and it is a swampy area. It is buttongrass swamp.

**Mr BEST** - Regarding the way you have conversed with Mr Nichols on this: has it been more verbal or has it been in writing?

**Mr LETTE** - I have a letter here about the 1.2 megs from Graeme.

**Mr BEST** - Obviously you are trying to address issues that have been raised, why do you feel you cannot get there in a sense of wanting to get this result with your dam? What do you think the problem is then?

**Mr LETTE** - I don't know.

**Mr BEST** - You don't know?

**Mr LETTE** - Graeme, I think. That's only my opinion.

**Mr BEST** - All these engineering-type questions - I will just call them that - are pretty much addressed?

**Mr LETTE** - No, I am not an engineer.

**Mr BEST** - I know, I didn't mean to phrase it as 'engineering'; I just meant logistical-type things about the -

**Mr LETTE** - There should not be a problem building the road like that; the swamp's nothing really.

**Mrs NAPIER** - As I understand it, should the dam wall be raised that would cause the road to be raised even further with the rockfill and that would cost an additional \$150 000, which you would need to pay.

**Mr LETTE** - Which I am not prepared to pay. I would like to know who quoted \$150 000?

**Mrs NAPIER** - It was in a letter from Mr Graeme Nichols, Senior Project Manager.

**Mr LETTE** - Has he got a quote on that or just a figure out of the air?

**Mrs NAPIER** - No, it is just a figure, I must admit, I would have to ask Mr Nichols.

**CHAIR** - And we will do that. We will have Graeme come for questions in a moment, and you are welcome to stay and listen to that exchange.

**Mr LETTE** - You realise it is going to cost me probably \$30 000 to do the engineering works on the dam and move the pump up.

**Mrs NAPIER** - So you are saying that your concern would be that, if the road were proceeded with, it would reduce the holding capacity of your dam because you would not have the water-holding area that is currently on the southern side?

**Mr LETTE** - Yes. It is only 0.2 of a megalitre but, as I said, it is the cumulative effect. If it blows, I cannot irrigate on a windy night and I am not going to waste water or if it rains I will not water for a week and I will lose the 0.2 of megalitre each time it happens.

**CHAIR** - Just to further clarify that for me, the southern side is where the spring is?

**Mr LETTE** - Yes, that is where it comes from. I do not know how much water they are going to take on the northern side. They obviously will not build a road straight up and down.

**Mrs NAPIER** - And you are saying there isn't a spring that feeds the dam on the northern side? You own the land but has that ever been corroborated by an engineer or by DPIWE?

**Mr LETTE** - No, but I know where the water comes from.

**CHAIR** - I guess it is fair observation, it is just one of those practical issues that you are aware of what happens on your land.

**Mr LETTE** - Yes, I would say so. Hurst Creek usually runs but this is the first year in living memory that it hasn't run, like a lot of other places, and that is why the water is so valuable.

**Mrs NAPIER** - I know I am repeating things but so we are absolutely clear: what you are saying is that Primary Industries and Water has said that they would be willing to approve the increase in the dam?

**Mr LETTE** - You have to apply for extensions but I have plenty of megalitres of water - what I am allowed to take; I will never use it anyway, I don't reckon - from years ago. Surety five and surety six. You would probably only use surety six in the winter time when there is a good streamflow. Restrictions are on now so there are no direct takes.

**Mrs NAPIER** - The council has said that they would have no objection to that?

**Mr LETTE** - Yes, I have a letter here, which we would have received after Graeme had the first meeting with you. You never had that one.

**CHAIR** - Just to clarify that matter, Sue: the issue you have referred to is the one which Graeme has written to Les about, so Les has the letter dated 17 March. If there are matters in that letter that you want to raise, you are at liberty to do that.

**Mrs NAPIER** - The particular issue relates to the 0 2, which says: 'The raising of your dam by one metre is not supported by this department' and '1 500 cubic metres of rockfill would be required to prevent damage to the road by water seepage and this has been costed at \$150 000'. If this road proceeds as is currently allowed for, without that additional rockfill, you are of the view that you will lose the holding capacity of that 0 2. Do you have any concerns that you might in fact lose your spring?

**Mr LETTE** - Not the main spring because that is 500 metres away from where the roadworks are going to happen. There is a very small spring on the side of the road there, that the road can go over. The main spring is away from the road.

**Mr HALL** - Just let me clarify that. You are saying that the main spring is half a kilometre back up that gully on the southern side?

**Mr LETTE** - Yes.

**Mr HALL** - Is that running at the moment?

**Mr LETTE** - Yes.

**Mr HALL** - Are you drawing water out of the dam at the moment?

**Mr LETTE** - Yes. We haven't for three or four days; we are just waiting for it to fill up.

**Mr HALL** - I see. So you just wait until -

**Mr LETTE** - Yes; it is virtually a big sump.

**Mrs NAPIER** - In your estimation will it require a culvert or a pipe as part of the rockfill in order for that water to come through?

**Mr LETTE** - Yes. The engineers will put a culvert under the road; they won't build a dam on the top side of the road. The water will find its own level through the culverts, just as it does now. There are two 1-metre culverts under the road now.

**Mr HALL** - So you are really concerned about the holding capacity that you reckon you will lose - that 0.2 megalitre on the southern side?

**Mr LETTE** - Yes, the cumulative effect of it. If it rains for a week, the dam fills and it goes over the spillway, you lose 0.2 megalitre every time. That adds up over a period of time.

**Mr BEST** - Do you ever transfer some of that water then, from that dam to any other dams?

**Mr LETTE** - I have done, yes. There wouldn't be any water to do that now, but I have done it in the winter time.

**Mr BEST** - It saves you that wastage. That is what you are referring to, isn't it?

**Mr LETTE** - Yes. Graeme Lette is below me - he is the only one and we are working together any way. From that point on it runs into the creek. It is the 18 permits above me that take the water.

**Mr BEST** - You are working on this figure of 20 times 0.2 or whatever, but it depends, doesn't it? If you have more rain, you could divert more at certain times?

**Mr LETTE** - You could do, yes. If you get a year like this one, you don't divert very much.

**Mrs NAPIER** - Have you had any legal advice as to whether there is a case for compensation?

**Mr LETTE** - I could have, but I would rather do it this way. I would rather just work it out. It is stupid to have to go through that process. I would rather come here and work it out with you fellows.

**CHAIR** - We thrashed this out when we had the hearing. We took into consideration your representations to the department and Graeme's response of 17 March. Just so that I can get it clear again, if you raise your dam wall on the northern side of the highway by a metre, and the fact that water will find its own level has the effect on the southern side of raising that varying water level as well. If your dam is full, you will have more water on the southern side -

**Mr LETTE** - That is right. If there is wet weather, there is no need to have the dam full; you can have it piped so that it is half empty.

**CHAIR** - But it is that impact on the southern side which the department is concerned about. When the department wrote to you and said they did not support the extension in the height of your dam it was because of the impact it would have on the southern side and their road reconstruction works. They say that would cost them extra in road construction because of the higher level on the southern side when your dam is full.

**Mr LETTE** - Yes, I understand that.

**CHAIR** - Their opposition in fact didn't impact specifically on your dam. If you get the water authorities to raise the height of your dam - both the Water Management Branch and the council - that is nothing to do with the department, I could argue. But in this instance it is, because it impacts on the southern side of their road reconstruction. We will need to talk some more with Graeme about the cost impact of that. We do have on the record Graeme's response to those questions previously.

**Mr LETTE** - Well, he wouldn't have had the council letter then, at the last meeting.

**Mr BEST** - On that figure of \$150 000: did you say that you had an estimate of what you thought it could be constructed for?

**Mr LETTE** - No.

**Mr BEST** - You just think that figure is a bit too -

**Mr LETTE** - No, I know nothing about the road costs.

**Mr GRAEME NICHOLS, PROJECT MANAGER, DEPARTMENT OF INFRASTRUCTURE, ENERGY AND RESOURCES, WAS CALLED AND EXAMINED.**

**CHAIR** - Welcome back, Graeme. You have given evidence before so you do not need to be sworn in again. You have a colleague with you; will he be giving evidence as well?

**Mr NICHOLS** - No. This is Justin Bocock, who is going to relieve me as project manager.

**CHAIR** - Before we proceed to ask Graeme questions on the matter, on our agenda we had listed the correspondence we have been referring to and if there is no comment to the contrary I intend that we resolve that those documents be accepted as part of the evidence to the committee. Perhaps it might be useful if we proceed this way: Graeme, you have heard what Les has said about his concerns and how he has sought to address them. Could you make some response to those issues first and then we will ask you some questions?

**Mr NICHOLS** - Right. I think it is probably important to go through these points that I raised in my letter of 17 March: firstly, the loss of water is really a matter for evaluation and that will be taken into account in the compensation when we do those calculations for the land we are acquiring from Mr Lette. I cannot really pre-empt those calculations - I am not a qualified valuer myself, so that is how that will be addressed. I think it is also important to note that the road is a council road. It is an unusual situation that the State Government is funding and building an upgrade on this road, but at the end of the day the road reservation, as we see it, belongs to the council. What I have said to Mr Lette is that the matter has been referred to council because it is their road, not ours. If they agree to let Mr Lette flood their road, that is between the council and Mr Lette. All we have said in this letter is that we do not support Mr Lette's raising the dam by one metre because it will cost us an extra \$150 000. The rockfill is to protect the road embankment. If Mr Lette floods the road embankment, then we could have the water pumping up through the embankment and fouling the pavement.

**Mrs NAPIER** - I think you said if the dam was to be increased then that would require, in the construction of the road, an additional 1 metre of rock fill ensure that the water did not seep up into whatever material was put above the rock.

**Mr NICHOLS** - That's right. We just put normal embankment fill above the rock fill. We would build it in a similar fashion to the Sorell Causeway where we do have inundation from tides. We built rock fill up to high-tide level and then we put geotextile on that as a separation layer between the rock fill and the normal embankment above the geotextile and then the pavement on top of that to stop the water pumping up through the normal road embankment and saturating that road embankment and causing a failure.

**CHAIR** - Graeme, I am trying to get a picture of all of this with regard the rock fill and where it will sit in relation to heights. It will be of no benefit to Hansard whatsoever but can you develop a sketch on the back of a piece of paper so I can get a clear picture in

my mind of exactly what we are talking about with these increased heights, if they were to occur?

**Mr NICHOLS** - I will do something very simple. We are putting in a rock fill up to the existing dam level. With another metre we need to put in that much more rock fill.

**Mrs NAPIER** - Does that increase your base coverage? If you have to go higher, do you have to go wider?

**Mr NICHOLS** -Yes, because the road is 8 metres wide, plus we would have guardrails each side, so that is 10 metres at the top. Where it is 4 metres high, it will be 2 metres above that. It is a slope of 1.5 to 1 in 3, that is 16 metres at the top, and another 1.5 metres at each side, so that is 19 metres wide at the bottom. So you can see how for each metre that we put this rock fill in, we have an extra 17 or 18 cubic metres of rock fill, and rock fill in Scottsdale is fairly hard to come by. It is not a readily available resource. I think we have been bringing it up from Launceston from the old Boral Quarry.

**Mrs NAPIER** - Through that log fill presumably there will be some pipes or a culvert.

**Mr NICHOLS** - Yes, there are two 1 200 diameter pipes planned to serve this creek. It is a reasonably large creek.

**Mrs NAPIER** - So could it be argued that as apparently with Mr Lette's dam it goes through the culvert and sits on the southern side - some of the water sits on the other side -

**Mr NICHOLS** - Yes.

**Mrs NAPIER** - Could it be argued that this will happen with this new section, it is just that the water will go back up the culverts and sit on the other side of the road?

**Mr NICHOLS** - Even if he doesn't raise his dam, it will do it anyway.

**Mrs NAPIER** - If he raises his dam height, I suppose overall it increases the amount of water that will sit on the other side sometimes?

**Mr NICHOLS** - Yes.

**Mrs NAPIER** - Unless he digs a dam on that side too.

**Mr NICHOLS** - We have been asked do we support this dam raising and we have said, 'No, we don't because it is going to cost us additional money'. But at the end of the day, DIER does not have the right to say no.

**Mrs NAPIER** - So what we are saying is your preference would be that this does not occur but you are saying that should council agree to the raising of the dam wall, you would have no option but to increase the height of the road by the 1 metre and in turn incur the additional \$150 000 for the department.

**CHAIR** - Not the height of the road.



**Mr NICHOLS** - That is if we did do it.

**CHAIR** - And not fill under.

**Mr NICHOLS** - Yes..

**Mrs NAPIER** - You probably have to do it anyhow, don't you, to have a structurally-sound road?

**Mr NICHOLS** - We are doing it up to the present dam level; it is the extra metre that we are not so keen on. We will cop the cost of catering for the existing dam level but we are not so keen to do it for the new dam level.

**CHAIR** - Again by way of a rough sketch, Graeme, in plan if here is the highway and this is the southern side and here is the dam on the northern side, at the moment if we take the dam as inundating an area like that, the spring-fed area over here is something like that, but if you lift the dam wall level, are we saying we are going to potentially increase the storage on the other side to a larger area, and it is that area of rock fill under the road as opposed to that area of rock fill under the road?

**Mr NICHOLS** - That is right. That is true to some extent, although it is a fairly low swampy area.

**Mrs NAPIER** - Could the problem be overcome by allowing Mr Lette to dig, not so much a dam but a corridor trench, if you like - some dams look like that anyhow - up towards where the spring is so that there was greater depth in that area that currently holds water, rather than just allowing it to soak into the earth and trickle through? I do not know whether that would be allowed environmentally -

**Mr NICHOLS** - I don't know.

**Mrs NAPIER** - or whether Mr Lette would want to do it. It just seems to me that what you are saying is you are losing volume in water. If we want to try to maintain the water, maybe what we do is as you have already done on the southern side; you have dug a lot of the sags out to provide better creek flow. Maybe what you do is dig some of the sags out on the southern side of the road and in turn increase its holding capacity.

**Mr LETTE** - You could, but if you go deeper it runs out of the culvert.

**Mrs NAPIER** - Put the culvert deeper.

*Laughter.*

**Mrs NAPIER** - That is part of the design.

**Mr LETTE** - Then you get it under the mud; you want the culvert where it is really.

**Mr NICHOLS** - I think it is already silting up so we would be reluctant to lower the culvert.

**Mrs NAPIER** - I am just wondering if there is a design solution to this rather than mucking up the road.

**CHAIR** - Graeme, your assessment of 1 500 cubic metres of rock fill -

**Mr NICHOLS** - Yes, that has been done by Pitt & Sherry, who are the designers for this stream.

**CHAIR** - Based on the extra volume of water which would be generated on the northern side by raising the dam wall which then impacts on the southern side?

**Mr NICHOLS** - All they have done is literally work out where the new dam level will be and work out the areas in each cross section by the length of the road that is affected, and 1 500 cubic metres is the answer they got.

**CHAIR** - What is your contingency on this project again?

**Mr NICHOLS** - The contingency is 10 per cent of construction - I think it would be about \$270 000 - but generally with a road construction job you tend to use that contingency for unforeseen matters, porous upgrade and things that you cannot see at the present moment when you are building up.

**Mrs NAPIER** - In terms of compensation, what is 4 megalitres of water worth in Scottsdale?

**Mr LETTE** - What is 4 megalitres of water worth in the next 40 years?

**Mrs NAPIER** - Something like that.

**Mr LETTE** - It is worth \$3 million or \$4 million.

**Mrs NAPIER** - You are basically cash cropping there, aren't you?

**Mr LETTE** - We are very limited at the moment. We have eight people on the payroll and they rely on their jobs.

**Mr HALL** - Is that your main source of water?

**Mr LETTE** - Yes. I have a dam at the front, but there is no creek there. It fills in the winter if I'm lucky.

**Mr HALL** - How many megalitres would you draw a year from that dam?

**Mr LETTE** - I will take 50 if I can get it. This year it will probably be about 35 or 30, because there is no water coming down. We have cut back - we have only 18 acres of potatoes on that particular farm this year. That is all we can water.

**Mr BEST** - I know you said that when the dam was full it was some time ago and there was no permanent system of approvals in a sense, but the council would give agreement for you to dam up to the road.

**Mr LETTE** - It was not a problem. I have a letter here from Mr Martin -

**Mr BEST** - There is a dot point here from Mr Martin and he suggests to Mr Nichols that perhaps there could be a meeting with Mr Smith and Mr Lette. That hasn't happened yet?

**Mr NICHOLS** - No, it hasn't. But we were coming here anyway -

**Mr BEST** - So there might be some grounds for discussion. Some of these dot points have changed now.

**Mrs NAPIER** - Would you be willing to table the letter? The only letter that I have read is of 13 December 2006, when Mr Martin said:

'It would appear from the information provided that the raising of the dam wall by one metre is not supported due to engineering concerns unless you are prepared to meet the engineering costs...It also appears from information that given you will need to consider other options for your water...'

**CHAIR** - I haven't seen that one, Sue, and Brendan hasn't got it.

**Mrs NAPIER** - I'll table that one. It's a Dorset Council one. It is dated 13/12, so it must have come today.

**CHAIR** - There is a letter dated 28 November - we have all had that. It was circulated to us. That is the one that Mr Lette is referring to - he has received that. The other one Sue received from somewhere, but none of us have seen it.

**Mrs NAPIER** - It must have arrived today. It was on my desk. I am interested as to what is in the other one because I don't have a copy of that.

**CHAIR** - Let us get some system here. The letter of 13 December is Sue's. Will you give a précis of it, or do you want to read it into the *Hansard*.

**Mrs NAPIER** - I received this letter on my desk today. It is dated today and says:

'Dear Les,  
Re: Lilydale-Golconda Main Road: western approaches to Scottsdale

I refer to my discussion with you on 28 November 2006 and my subsequent correspondence of the same date to DIER's Mr Graeme Nichols. I received a copy of a reply dated 4 December 2006, copy attached, from Mr Nichols. It also contains a letter to you dated 17 March 2006. The Council's Work and Infrastructure Manager has also been involved in the investigations and discussions.

It would appear from this on information provided that the raising of the dam wall by one metre is not supported due to engineering concerns unless you are prepared to meet the engineering costs of \$150 000. It would also appear from the information that you will need to consider other options for your water dam requirements. Should

you wish to discuss this matter further, a copy of this letter and attachments have been forwarded to the Parliamentary Standing Committee on Public Works.'

**Mr BEST** - That basically reads that the council would give you permission, if the money were provided.

**CHAIR** - We have had the other letter for a little while now, so members should be familiar with the content of that. That was a letter to Graeme from the General Manager giving the answer to a couple of questions and suggesting a meeting the next time he was in the area.

**Mrs NAPIER** - Can I read a sentence from that letter. The second last paragraph says:

'Apparently the Department of Primary Industries and Water have no issue with the raising of the dam wall, as advised to council by Mr Lette. Council would also have no objection, subject to appropriate road construction works being undertaken, which is what we believe you are addressing.'

The council is saying that they do not have a problem as long as it does not impact upon the engineering of the road.

**CHAIR** - And therein we have the problem, because Graeme is telling us that it definitely impacts upon the construction of the road to the tune of \$150 000. The department is not in the position or prepared to expend that \$150 000 on the extra rockfill.

**Mr NICHOLS** - That is right. I might just add that when the council wrote that letter they were not privy to letter of 17 March to Mr Lette.

**Mrs NAPIER** - That is the one that said the raising of the dam by one metre was not supported by the department. Could I clarify something: I understood you to say that you would prefer not to have to raise the road by the additional metre because it would cost an additional \$150 000, but should the dam go ahead, you might have no alternative but to raise the road.

**Mr NICHOLS** - Place the rockfill, you mean?

**Mrs NAPIER** - Provide a higher sub-base, using rockfill.

**Mr NICHOLS** - I am not sure that is the case. At this stage we certainly take a risk if we don't provide it, but if we do provide it, our budget is at risk.

**CHAIR** - If I might make an observation in terms of trying to get all parties clear. Mr Lette you have indicated - and these are my words, not yours - that you felt some discontent with the negotiations with the department because Graeme was suggesting that he did not support the raising of the dam wall, but that is a matter outside his province. Can I also volunteer the observation that the only reason Graeme put forward that view was that it would impact the cost of his roadworks. Is that something you appreciated?

**Mr LETTE** - Yes, I understand that.

**CHAIR** - You clearly understand that given that you can raise the dam wall because Water Management Branch have indicated that the council have no problems with it, in so doing it impacts on the road sub-base construction to the tune of \$150 000 and therein lies the problem for the department.

**Mr LETTE** - Yes.

**CHAIR** - And the cost of raising the dam wall is clearly one which you are prepared to take on, notwithstanding that you would contend the new road construction is causing loss of storage or supply to what we call the 'sump' on the northern side.

**Mr LETTE** - It is; yes.

**CHAIR** - Graeme has indicated that this is a matter of compensatory assessment for the acquisition of part of your property.

**Mr LETTE** - How do you work it out? Is it on so much per year for 40 years?

**Mr NICHOLS** - I don't think we should enter into it. The valuers are much better qualified than we are to make an assessment.

**CHAIR** - It will always be a potentially contestable matter. It will be assessed and valued. If you are dissatisfied then there is a process to appeal the assessment.

**Mr LETTE** - I don't want to go through that.

**CHAIR** - I understand, but that is not a matter in which this committee can be involved.

**Mr HALL** - It is a matter of injurious effect, which is taken into account under the land acquisition. It goes on down the track.

**Mrs NAPIER** - As part of the valuation process, it might be considered that, rather than paying a considerable amount to Mr Lette as compensation for the water, it would be better to redirect that money to increasing the height of the rock fill.

**Mr LETTE** - That's what I would like.

**Mrs NAPIER** - That might be the only way.

**CHAIR** - That's true, and that would be a matter for assessment. Unfortunately, Mr Lette, this committee has no jurisdiction over that at all. We understand the issues in play. This committee can either approve a project as presented to us or reject it in its entirety. We cannot make a conditional approval; we cannot approve this project subject to the condition of extra rock fill worth \$150 000. If we approve the project, those negotiations proceed under the compensation regimes available to all landowners. It might be an area for negotiation in terms of the loss of value to you.

**Mr LETTE** - I just want it cleared up; I don't want it to go on for 20 years. We still have not had anything from the first section. Our valuer has been ill and so on. It is an ongoing matter. The only contribution I would be prepared to make, if it would make a difference, is that they can have the land on this section of road. Cuttings would be going in and so on, so they can have it if I can keep my water. That water is so valuable because god knows what will happen in 10 years' time. They can have the land.

**CHAIR** - Again, that is a matter which would be for you to negotiate directly with the department, rather than proceeding with the acquisition process whereby the department pays you compensation and so on. Again, the committee cannot enter into that, but we can, in our report, make a note of these deliberations.

**Mr LETTE** - That is the contribution I can make.

**Mrs NAPIER** - What was the allowance for land acquisition in this project?

**Mr NICHOLS** - \$150 000, which probably seems a bit generous.

**Mrs NAPIER** - That is not just for the Lette's property, is it?

**Mr NICHOLS** - No; there are about six landowners. The majority is for Brown.

**CHAIR** - That would be reasonably insignificant in the context.

**Mr NICHOLS** - A significant portion of that \$150 000 would be for injurious effect on the property rather than a straight rate per hectare.

**Mrs NAPIER** - That would allow for the loss of water access?

**Mr NICHOLS** - Yes; that would be included in the valuation.

**Mrs NAPIER** - We now live with climate change.

**Mr NICHOLS** - We don't yet take that into account; it would be very hard to calculate.

**CHAIR** - Thank you all.

**THE WITNESSES WITHDREW.**