

**LAKE ILLAWARRA  
AUTHORITY**

**ANNUAL REPORT  
2003-2004**

The Hon. Craig Knowles MP  
Minister for Infrastructure and Planning  
Minister for Natural Resources  
GPO Box 5341  
**SYDNEY NSW 2001**

Dear Mr Knowles

**Annual Report 2003 / 04**

I have pleasure in presenting the Lake Illawarra Authority's annual report for the year ending 31 March 2004 for presentation to Parliament.

The year has seen the Authority continue the restoration program aimed at improving the environment of Lake Illawarra, the foreshores and related environs.

The report has been prepared in accordance with the Annual Reports (Statutory Bodies) Act 1984 as amended and associated Regulation and the Public Finance and Audit Act 1983.

I commend the report to you.

Yours sincerely

**S D Prosser OAM**  
**Chairman**

# TABLE OF CONTENTS

Page

Executive Summary	
Sixteen Years of Achievement	
Report of Operations	
Charter	
Management and Structure	
Authority Membership	
Meetings	
Executive Officer	
Advisory Committees	
Areas of the NSW Government Relevant to the Lake Illawarra Authority	
Access and Administration	
Key Issues	
Managing the Issues	
Achievements in 2003/04	
Other Initiatives and Involvements	
Summary Review of Operations	
Summary of Land	
Provisional Budget for Year Ending 31 March 2005	
Comparison Between Provisional Budget and Actual Expenditure for Year Ending 31 March 2004	
Financial Statements	
Independent Audit Report	
Location Map	
Key to Map	

The Department of Infrastructure, Planning and Natural Resources on behalf of the Lake Illawarra Authority prepared this report.

Four hundred (400) copies of the report were printed at a cost of \$17.95 each.

## EXECUTIVE SUMMARY

It has been another significant year for the management of Lake Illawarra.

In the sixteenth year of operations the Authority continued to bring about enhancements to the lake both in respect of ecological values and recreational opportunities.

The Authority carried out a number of activities during the year including improvements to water quality, public access, foreshore habitat and conservation areas as well as major and minor infrastructure works and investigations for future improvements.

Activities and outcomes during 2003/04 included:

- ❑ Advanced the planning and design phases for entrance improvement works.
- ❑ Completed research to improve understanding of nutrient dynamics in the lake.
- ❑ Removed 1,275 tonnes of organic wrack from shoreline areas equating to the removal of 21 tonnes of nitrogen and 3 tonnes of phosphorus as well as 50 tonnes of litter.
- ❑ Advanced bush regeneration works to improve terrestrial flora and fauna habitats on Wollamai Point and Hooka Point.
- ❑ Improved boating access to Berkeley Boat Harbour through the removal of 200 cubic metres of sediment.
- ❑ Improved foreshore access through the construction of 500m of shared pathways and public amenity through the construction of shelters, BBQs and car parks as well as maintaining 50 hectares of foreshore parkland.
- ❑ Developed options to improve the waterway area of the Back Channel.
- ❑ Continued to involve the community in projects and raise environmental awareness of lake processes and values.

In 2003/04, the Authority developed a Management Plan for the Lake in a form consistent with the NSW Government's Estuary Management Policy. The Plan identifies management goals and objectives for the Lake, as well as management options that address environmental, social and economic issues. An Advisory Committee established by the Authority to involve community input oversights preparation of the plan. The plan is to be placed on exhibition for public late in 2004.

The increasing population in the 235km<sup>2</sup> catchment of Lake Illawarra will provide a particular management challenge for the Authority in coming years. Urban development at West Dapto is to house an additional 60,000 people and a major employment centre is planned for West Kembla Grange. The Authority sought to assist Wollongong City Council in identifying how such pressures should be managed.

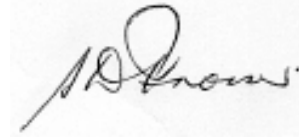
It was identified that as a result of the West Dapto and West Kembla Grange developments, the Authority or others will need to provide extensive artificial wetlands on the downstream extremities of Mullet Creek into which the growth areas will drain. These will be essential to reduce nutrient and silt loads, despite on site measures will inevitably be exported from these areas. Some property acquisition may also be required.

Whilst a significant amount of work remains to be done in and around the lake to achieve the Authority's aims and objectives, significant gains have been achieved over recent years.

The Authority looks forward to moving ahead with its works program and with continued community support and financial assistance from State and local government. The Authority is well positioned to continue the process of restoring the lake in 2004/2005 and beyond.



**B T Dooley**  
**Executive Officer**



**S D Prosser OAM**  
**Chairman**

### **Sixteen years of achievement**

Since it was established in 1988, the Authority has achieved major improvements at Lake Illawarra including:

- Improvement in water quality in the lake by constructing three large wetlands (Budjong, Warrawong and Warilla) and installing stormwater controls on 40% of the major drains entering the lake
- Improvement of fish habitat and boating access by dredging 500,000 cubic metres of bed sediments and removing 20,000 tonnes of macro-algae
- Improvement to foreshore access and reducing offensive odour by removal of 40,000 tonnes of decaying wrack from the shoreline
- Improvement of terrestrial habitat for wildlife by removing 5 hectares of lantana and bitou bush and by the replanting of native vegetation
- Improvement and protection of 10 kilometres of shoreline riparian vegetation
- Stabilisation of the entrance to the Lake by constructing a southern training wall which connects to Windang Island
- Provision of facilities for passive and active recreation in and around the Lake including constructing: 15 kilometres of shared pedestrian and cycleways; 1 kilometre of boardwalk; numerous BBQs; shelter sheds, seats and tables; 8 carparks; 8 jetties; 1 wharf; 2 pontoons; 5 viewing platforms; 2 equal access playgrounds and 50 hectares of parkland
- Provision of training and employment opportunities for hundreds of unemployed and unskilled youth through programs such as LEAP, Jobskills, Training for Aboriginals, Green Corps and Work for the Dole.
- Upgrading of 7 boat launching ramps
- The construction of an amenities building and education study centre (in progress)

# REPORT OF OPERATIONS

## CHARTER

The Lake Illawarra Authority Act 1987 was proclaimed on 11 February 1988. The NSW Government established the Lake Illawarra Authority with the aim of improving the environment of the lake, its foreshores and immediate environs.

Under the Lake Illawarra Authority Act 1987, the Authority may undertake 'development works' or cause them to be carried out. Development works include:

- The removal of ooze, silt, sand, sediment, algae and weed accumulation;
- The deepening of channels and bays and associated disposal of spoil;
- The construction of silt traps and nutrient filters at entry points of streams and stormwater drains to the lake;
- The landscaping of foreshores, including the planting and removal of trees and other vegetation;
- The provision of recreational facilities and amenities, including beaches, boat ramps, boat sheds, jetties, wharves, moorings and appropriately designed car parks; and
- The carrying out of land reclamation and associated works for the protection of the environment.

For the purposes of carrying out the development works, the Authority may do all things, including entering into contracts, as it may consider necessary.

The Act also allows the Authority to:

- Enter into, and give effect to, agreements for the extraction from the development area of sand or other material.
- Grant leases of or licences with respect to, any part of the development area for a limited number of tourist and lake related activities.
- Acquire land (including an interest in land) by agreement or by compulsory process.

## **MANAGEMENT AND STRUCTURE**

### **Authority Membership**

Under the Lake Illawarra Authority Act, membership of the Authority is to consist of ten part-time members appointed by the responsible Minister.

For the year ending 31 March 2004, the Minister for Infrastructure and Planning and Minister for Natural Resources, the Hon Craig Knowles MP, was responsible for administering the LIA Act.

Authority membership consists of five community representatives as well as one Councillor each from Wollongong and Shellharbour City Councils, one member is appointed to represent each of the Southern Rivers Catchment Management Authority, NSW Fisheries and the Department of Infrastructure, Planning and Natural Resources.

The Minister appoints one of the community representatives as the Chairperson of the Authority.

Members are appointed for a term not exceeding two years. Current membership expires on 31 August 2004.

Details of Authority members for the year are listed below.

#### **Community Representatives**

Mr Doug Prosser OAM	Chairperson
Ms May Hudson	
Mr Bob Doyle	
Ms Jean Ferguson	

The Minister only appointed 4 of the 5 community representatives for the new term. Appointment of the fifth community representative was still pending as at 31 March 2004.

#### **Council Representatives**

Clr Kiril Jonovski	Councillor, Wollongong City Council
Clr Bill Fowler <sup>(1)</sup>	Councillor, Shellharbour City Council
Clr Leon Cicolini <sup>(1)</sup>	Councillor, Shellharbour City Council

<sup>(1)</sup> During the year Clr Fowler passed away and the Minister appointed Clr Cicolini as a member on 28 July 2003.

#### **Southern Catchment Management Board Representative**

Mr Bill Mowbray <sup>(2)</sup>

#### **Southern Rivers Catchment Management Authority Representative**

Ms Pam Green <sup>(2)</sup>

<sup>(2)</sup> During the year, the government disbanded the Southern Catchment Management Board and established the Southern Rivers Catchment Management Authority (CMA). Subsequent amendments to the Lake Illawarra Authority Act (1987) made the Chairperson of the Catchment Management Authority whose area of operations includes Lake Illawarra, a member of the Lake Illawarra Authority.

Ms Green was appointed as Chairperson of the Southern Rivers CMA on 11 February 2004.

### **Departmental Representatives**

Ms Karen Fowler <sup>(3)</sup> Department of Land and Water Conservation  
Mr Mark Fackerell <sup>(4)</sup> NSW Fisheries  
Mr Andrew Field <sup>(4)</sup> NSW Fisheries

<sup>(3)</sup> On 2 April 2003, the Department of Sustainable Natural Resources (DNSR) was established. The DSNR was created through amalgamating elements of a number of natural resource Departments, including the Department of Land and Water Conservation. On 1 July 2003, the DSNR was merged with the Department of Urban and Transport Planning to become the Department of Infrastructure, Planning and Natural Resources (DIPNR). As at 31 March 2004, a representative of the DIPNR had not been appointed.

<sup>(4)</sup> During the year Mr Field replaced Mr Fackerell as NSW Fisheries representative. The Minister appointed Mr Field as a member on 28 October 2004.

A technical adviser supports each of the Council representatives.

### **Technical Advisers to Councillors**

Ms Lisa Miller BSc  
(Wollongong City Council)

Mr Arthur Webster BE, Dip Ce, LGE, MIE Aust  
(Shellharbour City Council)

### **Meetings**

Formal Authority meetings were held on 7 occasions during the year, which included 1 Special meeting held on 15 April 2003. Normal meetings were held bimonthly. Minutes of these meetings were recorded under the direction of the Executive Officer and were subsequently ratified by the Authority. In addition to formal meetings several site inspections were attended by a number of members. The Authority's Chairperson and Executive Officer spoke at various interest group meetings about operations and works in planning. Member attendance at meetings held during the year was as follows:

Member	No. of Meetings	Attended
Doug Prosser OAM	7	7
May Hudson	7	6
Bob Doyle	7	6
Jean Ferguson	7	5
Clr Kiril Jonovski	7	7
Clr Bill Fowler	0	0
Clr Leon Cicolini	5	5
Bill Mowbray	6	4
Pam Green	1	0
Mark Fackerell	3	2
Andrew Field	4	2
Karen Fowler	3	2

## **Executive Officer**

The affairs of the Authority are managed by the Executive Officer, subject to and in accordance with the directions of the Authority. The Executive Officer is Mr Brian Dooley an officer appointed by the Director General of the Department of Infrastructure, Planning and Natural Resources.

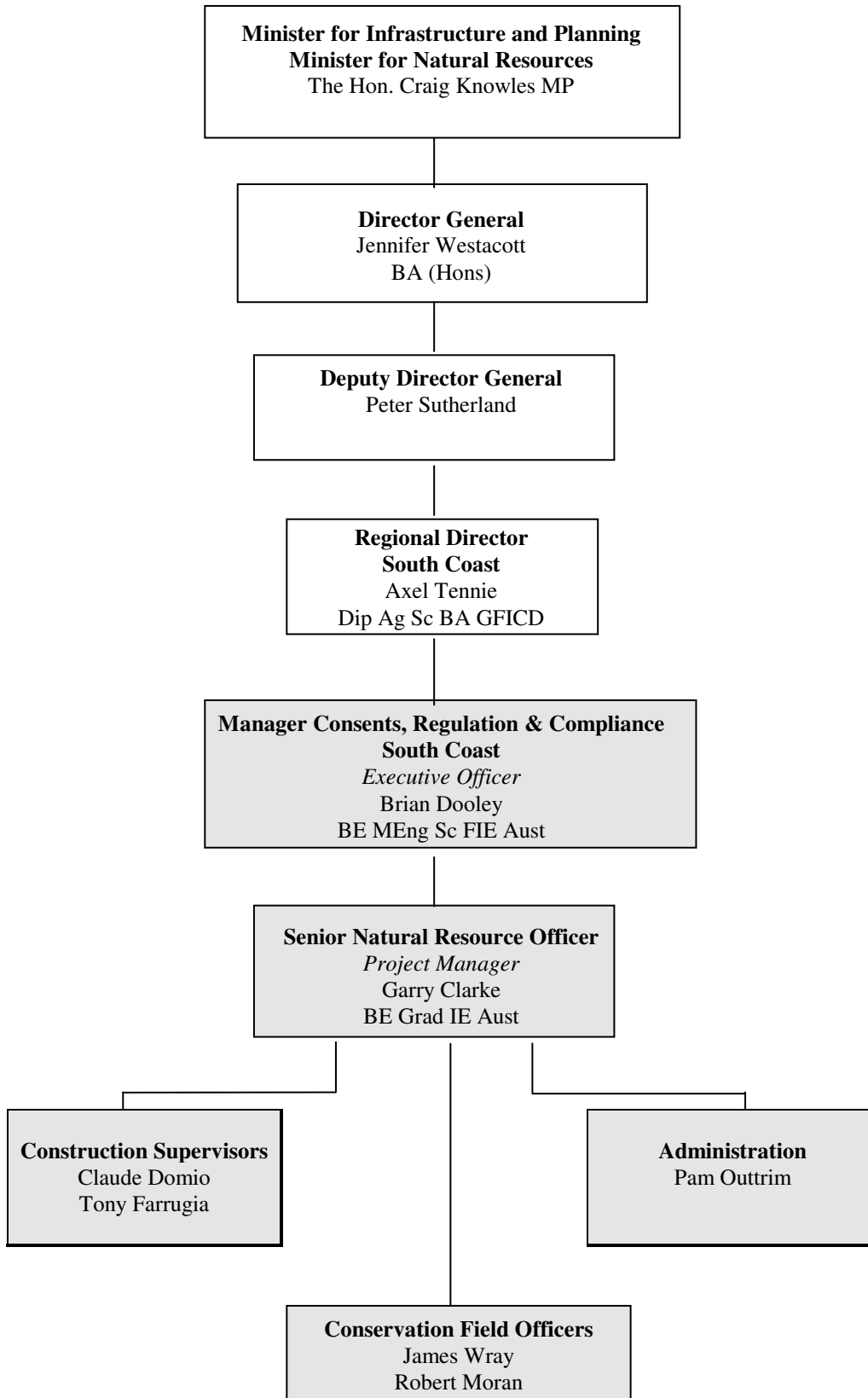
## **Advisory Committees**

The Authority has established a number of Advisory Committee's to assist it in connection with the exercise of its functions.

The list of Advisory Committee's operating during the year included those overseeing:

- Lake Illawarra Management Plan
- Lake Illawarra Floodplain Management Plan
- Lake Illawarra Back Channel
- Lake Illawarra Entrance Technical Working Group

# AREAS OF THE NSW GOVERNMENT RELEVANT TO THE LAKE ILLAWARRA AUTHORITY



## **ADMINISTRATION AND ACCESS**

Administration supporting the Authority is conducted from the South Coast Regional Office of the Department of Infrastructure, Planning & Natural Resources.

**Address:**

State Government Office Block  
Level 3  
84 Crown Street  
Wollongong NSW 2500

**Postal Address:**

PO Box 867  
Wollongong NSW 2520

**Telephone No:** (02) 4224 9633

**Facsimile No:** (02) 4224 9651

**Email:** [pouttrim@dipnr.nsw.gov.au](mailto:pouttrim@dipnr.nsw.gov.au)

**Web site:** [www.lia.nsw.gov.au](http://www.lia.nsw.gov.au)

**Business Hours:** 8.30 am to 5.00 pm (Monday - Friday)

## KEY ISSUES

In 2003/04 the Authority continued to developed the Management Plan which builds on previous reports including the Draft Strategy Plan (1990), Value Management Study (1992) and the Works Program Environmental Appraisal (1995). The new Management Plan will become the guiding document for all the Authority's future work.

As part of the report, key management issues (not in any order of priority) were identified along with strategies to address them and these include:

Key Issues
Water Quality
Algal Blooms
Seagrass Wrack and Algal Accumulation on Foreshore areas
Fish and Prawn Stocks
Sedimentation and Build up of Organic Material in Lake
Seagrass Beds
Littering of lake and foreshores
Entrance Condition
Flooding
Wetland Degradation and Riparian Vegetation Loss
Foreshore Access
Lake foreshore erosion
Waterway Usage
Tourism

## MANAGING THE ISSUES

The Authority's management program aims to bring about real and lasting improvements to the environment of the lake, its foreshores and related environs. The Authority achieves this by addressing issues identified as part of the Lake Management Plan as shown in the following table.

		Authority Works Program Component							
		Entrance Works	Dredging	Algal Harvesting	Foreshore Cleanup	Stormwater Controls and Wetland Filters	Recreational Boating Facilities	Foreshore Enhancements	Other Activities
Management Objective	Water Quality	√	√	√	√	√			
	Algal Blooms	√	√	√		√			
	Seagrass Accumulation	√	√		√				
	Sedimentation	√				√			
	Land Usage					√			
	Ecology/Fisheries	√	√	√	√	√			
	Waterway Usage		√	√	√		√	√	
	Riparian Zone					√		√	
	Flooding	√				√			
	Visual Amenity		√	√	√		√	√	
	Community Involvement						√	√	
	Heritage							√	√
	Foreshore Access		√	√	√		√	√	
Tourism		√	√	√		√			

The management program is being implemented on a priority and needs basis as funds become available.

Generally, funding of the Authority's works is on the basis of 1:1 between State and local Government. Wollongong and Shellharbour City Councils make contributions to the Authority either through cash or "in kind" contributions. Where appropriate, Councils perform works on behalf of the Authority in accordance with pre-agreed estimates. Other works are performed by contract.

A detailed account of management activities carried out during 2003/04 follows.

## ACHIEVEMENTS IN 2003/04

### WATER QUALITY

Aim: To improve water quality to a standard that protects ecological, recreational and environmental values

There are 191 drains entering the lake of which there are 115 major drains as well as 15 sewer pump stations located around the edge of the lake.

In 2003/04 stormwater entering the lake continue to be treated and improved. A milestone target of installing controls at 40% of major stormwater drains was reached during the year. Large quantities of rubbish and debris were cleared from gross pollutant traps and trash racks located around the lake.

Improvement work was carried out to the outlet of the Budjong Creek Wetland.

#### Water Quality Monitoring

Water quality monitoring continued at three sites across the lake with \$17,631 invested in this project over the year.

Data collected from probes located at Cudgeree Bay and Koonawarra Bay assessed pH, salinity (conductivity), dissolved oxygen, water temperature, Redox and water level and results are available in the Manly Hydraulics Report MHL 994 commissioned by the Authority.

Water quality was also monitored at the entrance lagoon, which is used for recreation including swimming. Sampling in accordance with EPA standards was carried out between September 2003 and March 2004 for analysis of faecal coliforms and enterococci with the outcomes summarised as:

- Results showed that bacteria levels fluctuated generally in response to rainfall
- Water quality in the entrance lagoon area (widely used for swimming) met the ANZECC water quality guidelines for primary contact recreation for most of the period. When the guidelines were occasionally exceeded, due to rainfall, levels were not excessive and posed little risk to human health.

Water quality data is one of the key indicators used to assess the health of the lake. Results show that the environmental health of the lake varies due to seasonal variations and elevated levels of nutrients and sediments following heavy rain. Issues such as sedimentation and water quality in particular, will continue to be addressed by the Authority to ensure the ecology of the lake remains healthy and sustainable into the future.

#### Entrance Management

Following the record breaking drought in 2002 and early 2003, significant rainfall fell in the catchment in May 2003 which raised water levels in the lake to above the agreed lake opening minimum level of 0.8m AHD. On 15 May 2003, the Authority opened the lake when the lake level was 0.97m AHD. Due to the Authority's intervention there were no reports of flooding around the lake as would otherwise have occurred.

The lake closed again in mid February 2004 because of a lack of fresh water flows combined with the movement of large quantities of sand into the channel from Perkins Beach. To facilitate an opening of the lake, a 'wet notch' was constructed in late March

2004, which left a small quantity or 'plug' of sand at the seaward end of the notch which was capable of being quickly removed should the lake level rise to near flood levels.

## **Key Water Quality Initiative 2003/04**

### **Lake Illawarra Entrance**

An Independent Review Panel was appointed by the NSW Government at the Authority's request to assess the performance of the existing entrance and to report on possible options for improvement. On 29 June 2003, the NSW Government endorsed the Panel's recommendation on entrance management, including the construction of a northern breakwater and major channel dredging at an estimated cost of \$4 million. This followed detailed consultation with the community in 2003 and a submission by the Authority supporting Option 9.

The NSW Government subsequently undertook to allocate \$2 million toward studies and works for the project over the next two years. Wollongong and Shellharbour City Councils have supported the project in principle subject to Option 9 being shown to be cost effective.

In 2003/04, the Authority advanced the design of the preferred option and established a Technical Working Group comprising representatives from the Department of Infrastructure, Planning and Natural Resources and Wollongong and Shellharbour City Councils to oversee the design phase which was substantially complete by March 2004.

Preliminary modelling indicated that the proposed wall alignments would:

- reduce the amount of sand transported into the entrance channel by about 40%
- gradually improve the entrance as less sand would be transported back into the channel after each flood
- avoid increasing flood levels by incorporating a wall separation width greater than 80m

Preliminary breakwater designs indicate that up to 75,000 tonne of rock will be needed to construct the northern and southern breakwaters. Alternative materials were suggested for possible use in the core along the length of the breakwater structures (eg sand, geo-tubes and geo-containers).

The Authority propose to have the final design made subject to a peer review.

The Authority arranged for an Environmental Impact Statement (EIS) to be prepared for the proposed works. A planning focus meeting was held in February 2004 with relevant government agencies to discuss their requirements for the project.

It is expected that the EIS will be completed in late 2004 and subject to the Authority obtaining the necessary planning approvals work should start in early 2005.



Proposed Lake Illawarra Entrance Works 'Option 9'

## ALGAL BLOOMS

Aim: To reduce macroalgae and other nuisance forms of algae that degrade and dominate the natural ecological function of the lake

There was very little macroalgae in the lake during the year and as a consequence no harvesting was undertaken. Algal harvesting was last carried out in the lake in December 1999. The reduction in the frequency of algal blooms is an indication that lake water quality is improving through the impacts of the Authority's works program.

To prepare for possible future algal blooms, expressions of interest for machinery to carry out algae harvesting were sought during the year. Two companies submitted expressions of interest. A decision to proceed with obtaining a tender from either company will be made in 2004.

Over the spring / summer period there were a number of blooms of microalgae (red tide) *Noctiluca scintillans*. The Metropolitan South Coast Regional Algal Coordinating Committee was informed of the blooms and media alerts issued. The algae appears as a pinky red discolouration on the surface of the water. The algae is non-toxic however the community was warned to avoid contact with all visible blooms. Mechanical harvesting of these blooms is not possible due to the microscopic size of the algae and small quantities involved.

### **University Research Projects**

Research was completed during 2003/04 by the University of Wollongong in cooperation with the Authority to improve understanding of nutrient dynamics in the lake and growth rates (biomass) of seagrasses and macroalgae.

Also completed in 2003/04 was research by the University of Sydney in cooperation with the Authority on the impact jellyfish populations on nutrient cycling within the lake.

## **ORGANIC WRACK ACCUMULATION AND OOZE FORMATION**

**Aim:** To reduce malodorous conditions around the lake as a result of the accumulation and decay of seagrass and macroalgae

Foreshore clean up was carried out in 2003/04 using a number of contractors and a variety of techniques. Work involved the removal of rotting seagrass wrack, algae, litter and debris from parts of the lake shoreline.

- Some 1,275 tonnes of wrack were removed from 38 kilometres of shoreline during 2003/04.

The removal of 1275 tonnes of wrack equates to removing 21 tonnes of nitrogen and 3 tonnes of phosphorus from the lake. As a result very few complaints were received from residents living near to the lake regarding bad odours compared to the early years of the Authority's existence.

## **SEDIMENTATION**

**Aim:** To reduce the rate of sedimentation in the lake to a pre-European level, and to restore areas of the lake degraded by excessive sedimentation

During 2003/04 maintenance continued at constructed wetlands at Kully Bay and Budjong Creek which are designed to trap sediment and nutrients before they enter the lake.

Sediment traps on drainage lines around the lake were also pumped clean during the year.

## **LAND USAGE**

**Aim:** To ensure that land usage decisions are made having regard to the quality and amenity of the lake's environmental and recreational values

### **Judbooley Parade Plan of Management**

The Authority met with Wollongong City Council to advance preparation of a plan of management for the foreshore lands between Windang Bridge and the Oaklands Village

Caravan Park. Issues to be addressed in plan include the site for the Illawarra Coast Guard, the future of the Windang Boat Shed, aboriginal heritage, and use of the two dwellings at 7 and 17 Judbooley Parade. Council proposed establishing a Committee to oversee plan preparation.

### **Other**

During 2003/04, the Authority continued to consult with Department of Infrastructure, Planning and Natural Resources and council staff to ensure measures to protect the lake were incorporated into future developments proposed in the edge of the lake. This included ongoing negotiations with Wollongong City Council about acquiring land for wetland ponds to mitigate run-off issues from proposed West Dapto development that will be home to 60,000 new residents in the coming years.

### **Wollongong Living Centres Project – Kembla Grange**

The Wollongong Living Centres Project was a cooperative governmental and community initiative of Planning NSW (now part of DIPNR). Part of the project objective was to plan for employment generating industries at Kembla Grange and housing at West Dapto. Both locations are located in the Lake Illawarra catchment.

The Authority was represented on the Community Consultative Group and continued to provide significant input into the planning phase of the project to ensure participants were aware of the need to protect Lake Illawarra from the potential impact from developments such as this Living Centres project.

## **ECOLOGY AND FISHERY CONSIDERATIONS**

**Aim:** To protect the abundance and diversity of native aquatic and terrestrial flora and fauna and restore habitats

### **Wollamai Point Bush Regeneration Work**

Improvement works continued on Wollamai Point. In 2003/04 work was undertaken by the Budjong Creek Landcare Group and involved weed removal, bush regeneration and improvements to public access. The Authority provided a small financial contribution as well as technical advice to assist the group.

### **Hooka Point Reserve**

Improvement works continued on Hooka Point. A team of young volunteers under the Commonwealth's Green Corps program carried out weed removal and bush regeneration at selected areas.

As part of a community partnership project, the Authority contributed \$18,000 towards works on Hooka Point. The Authority's contribution was used to construct a raised timber boardwalk, a shared pathway, and to provide recycled sandstone blocks for seating and interpretive signage. The boardwalk and shared pathway are to provide safe wheelchair access to an area being developed under a separate government grant, as a 'place of healing'. The location is culturally important to the local Koori community who have helped to develop this section of parkland.

### **Fishing guide**

In 2003/04 the Authority completed an updated fishing guide for Lake Illawarra. The publication was distributed to all tourist outlets and bait and tackle shops in the region.

### **Windang Island**

The Authority made a financial contribution to the Illawarra Noxious Weeds Authority for aerial spraying of bitou bush on the island. The Department of Lands wrote to the Authority requesting the Authority to consider accepting trusteeship of Windang Island. This was considered by the Authority with a decision yet to be made.

### **Aquatic weeds**

A small infestation of the noxious Alligator Weed (*Alternanthera philoxeroides*) was found growing on the shore near the boardwalk in the entrance channel to the lake. The Illawarra Noxious Weeds Authority sprayed the weed, which appears to have controlled its spread. The area is being kept under observation.

Community cooperation was called for in the media during 2003/04 to report any evidence of *Caulerpa taxifolia* in the lake. So far the lake remains free of this highly invasive weed.

### **Monitoring of Avifauna**

The Illawarra Bird Observers Club continued surveys of bird numbers and species at the mouth of the lake and at Whyjuck Bay under an agreement with the Authority.

Data collected was assessed by the Club to determine whether or not entrance works had impacted on bird numbers and species. Results for the year continued to show that there has been very little negative impact on bird numbers and species over the entrance shoals since Stage 1 entrance works were completed in 2001.

A small number of Little Terns (*Sterna albifrons*) bred and nested on the northern edge of the entrance for the first time in 40 years.

## **WATERWAY USAGE**

Aim: To permit appropriate recreational use of the estuary and foreshores, compatible with ecosystem values

### **Koonawarra Bay**

Piles and structural timbers for a wave break jetty at the Kanahooka Boat Ramp were purchased. Work is expected to commence in June 2004.

### **Windang Entrance Foreshore**

Improvement works were carried out to the boardwalk and Windang Jetty at a cost of \$15,200 during the year. A ramp was added to the boardwalk to allow disabled access to the shoreline and work was commenced to replace the timber piles and decking at the jetty.

### **Berkeley Boatharbour**

Authority funds spent on removing a sand shoal from the western entrance to the boat harbour to improve navigation and for minor repairs to the harbour infrastructure.

### **Back Channel Waterway Improvements**

The Independent Review Panel's report on entrance management endorsed by the State government in June 2003 included a recommendation that the Authority review options for Back Channel improvements with the community.

In November 2003, the Authority established a Community Advisory Committee to investigate possible options for the future of the waterway area of the Back Channel. The Back Channel includes the entrance channel west of Windang Bridge, south of Picnic Island extending to Bevans Island and the main lake.

The Back Channel is traditionally a very shallow waterway which experiences limited tidal flushing and boating access.

The Committee examined many options of different lengths and configurations including skim dredging and channels 20 – 40m wide at a depth of 1 – 2m deep aimed at improving tidal flushing, ecological habitats and boating access. An option to place culverts through the southern bridge causeway was also examined.

The Committee is to submit its report to the Authority in late 2004.

## **RIPARIAN ZONES**

**Aim:** To restore and protect foreshore vegetation and maximise public access to the lake without compromising ecosystem protection or visual amenity objectives

### **Riparian Corridors Draft Discussion Paper**

In October 1998, a Commission of Inquiry (COI) into the long term planning and management of the Illawarra Escarpment was announced by the then Minister for Urban Affairs and Planning. The terms of reference for the COI required the Commissioner to formulate and recommend appropriate and long term land use planning, development control and land management measures to protect and conserve the environment of the escarpment.

The Commissioner's Report (May 1999) made twenty two recommendations on broad strategic planning, policy and environmental management issues, as well as specific land use change and development proposals. Other report findings included the need to establish riparian corridors to ensure the protection of the environment of Lake Illawarra and to complete a comprehensive catchment management plan from the top of the escarpment to the lake for the protection of water quality.

The Authority believes that the responsibilities associated with managing the riparian corridors would be consistent with the purpose of the LIA Act in that the main objective is the protection of the lake.

Following discussions with relevant government agencies and the two local councils, the Authority began to develop a discussion paper which explores the benefits and practicality of expanding the 'development area' of the Authority to include stream riparian corridors. A discussion paper will be available in late 2004.

### **Other Riparian Associated Projects**

In 2003/04 the Authority continued to oversee ongoing repairs to fencing and protective bollards which prevent vehicular access to sensitive habitat areas on the foreshores of the lake. In addition ongoing maintenance to foreshore areas including weed removal, mulching and replanting continued (discussed in more detail in "Ecology and Fishery Considerations").

## **FLOODING**

Aim: To minimise the impact of flooding on public and private assets whilst adopting a policy of minimal intervention in natural processes wherever possible

### **Lake Floodplain Management Study**

In 2003/04 the Authority continued to chair a community committee overseeing development of the Lake Illawarra Floodplain Management Study. The study explores a number of structural and non-structural management options as well as planning considerations to minimise flooding and damage to foreshore assets. Comments on the draft report were received from the Department of Infrastructure, Planning and Natural Resources as well as Wollongong and Shellharbour City Councils and were incorporated into the study.

The study is proposed for completion in the last quarter of 2004.

## **VISUAL AMENITY**

Aim: To preserve and enhance the visual quality of the lake, its foreshores and the catchment

The Authority continued to maintain around 50 hectares of parkland and habitat areas on the 37km perimeter of the lake during 2003/04. Foreshore clean ups resulted in the removal of over a thousand tonnes of litter and debris from foreshore areas as well as organic wracks along the shoreline resulting in improved visual amenity and a reduction in malodorous conditions.

## **COMMUNITY INVOLVEMENT**

Aim: To increase public appreciation of estuarine values in order to minimise activities that adversely impact on lake environments

### **Northcliffe Drive Education Study Centre / Amenities Building**

Construction of the building commenced in 2000. The building was originally planned as a single storey structure to cater for users of the new sporting oval created on the reclaimed portion of land along Northcliffe Drive. During the early stages of construction the Authority was approached to consider the construction of a wetland study centre at Kully Bay by the edge of the lake. As a result the Authority resolved to add another storey to the building to incorporate an education study centre.

In order to achieve cost savings the Authority is constructing the building by direct management. This has allowed the Authority to successfully utilise a number of low cost providers including TAFE students and participants under the Work for the Dole program. Specialist building requirements are being done under contract.

Construction work continued on the new centre in 2003/04. Work was undertaken by contractors and "Work for the Dole" participants.

Design features of the building incorporate energy efficient and water saving technologies. Features include the use of solar panels, recycled stormwater and wastewater and use of 'natural' building products and materials.

The building is expected to be substantially completed by the end of 2005. When completed the building will be a major asset for users of the oval as well as the broader community for education purposes.

### **Other Education / Information Initiatives**

The Authority released two Community Newsletters during the year to keep the community informed of projects being undertaken. The Newsletters contained information about the entrance project, Hooka Point projects, the entrance Back Channel and the amenities / education study centre adjoining Northcliffe Drive.

The Authority will continue to issue regular Newsletters to the community.

The Authority continued to provide information to schools and the community on activities and environmental issues concerning the lake. Presentations were provided to service clubs and other organisations during the year.

The Authority regularly provided information about the lake and catchment to university and school students for education study purposes.

### **Symposium on Lake Management**

In November 2003, the Authority conducted a two day symposium to discuss management of the lake in conjunction with the University of Wollongong. The event included stakeholders in the region and community representatives.

## **HERITAGE AND TOURISM**

Aim: To preserve the heritage values of the lake and foreshores and to enhance tourism potential of the lake and foreshores

### **King Street Tourism Development**

In October 2003, the Authority's Chairman and Executive Officer made a presentation of the proposed tourism development at King Street to the local members for Wollongong, Illawarra, Kiama and Heathcote as well as the Hon. David Campbell, MP, Minister for Regional Development, Minister for the Illawarra and Minister for Small Business. These members of parliament expressed their support to progress the proposal, which aims to develop the 15ha site for tourism purposes and to extend community enjoyment of the lake through the provision of active recreational opportunities.

In 2003, the Authority completed an Expression of Interest (EOI) for tourist type development along the King St frontage adjacent to Griffins Bay, Warrawong.

Subject to legal clarifications, agreement from the Minister and parliamentary processes it is envisaged that expressions of interest to provide facilities in the site will be called early in 2005.

### **Yallah Foreshore (former Tallawarra Power Station site)**

Meetings were held with TXU to discuss issues regarding future development and use of the site and foreshore land.

The Authority completed a report, "Tallawarra Foreshore Land - Assessment of Land Use Options" (February 2004) to assist with discussions. The report suggested that the best option to utilise the foreshore land would consist of a mix of eco-tourism and public recreation amenities. The Authority is to prepare a concept master plan for the foreshore land in 2004. The plan will aim to improve public access, recreational amenity, environmental values, visual landscape and provide opportunities for commercial / tourist development over the foreshore land.

The Authority is to consider development and enhancement of this degraded site as one of its priorities for 2004/05.

## **FORESHORE ACCESS**

**Aim:** To maximise opportunities for public foreshore access to the lake

### **Koonawarra Bay**

Improvement works to the southern foreshore of Koonawarra Bay continued during the year. Work included the construction of a shared pathway, picnic shelters, weed removal, landscaping and the provision of kerb and guttering to the value of \$35,200. Most of the work was undertaken by participants in 'Work for the Dole' programs.

### **Oaklands Village Public Right of Access**

As part of the development consent granted by Wollongong City Council in 1994 to the Oaklands Village to allow the placement of manufactured homes on the site, the park management was required to negotiate with the Authority to create a public right of access along the edge of the park.

Accordingly, together with Wollongong City Council, the Authority is arranging to provide foreshore access for the community. A meeting was held with Council and representatives of Oaklands Village in February 2004 to discuss the creation of the easement and pathway. There was general acceptance by the parties of the need to formalise the pathway. The Authority is to prepare a plan of the pathway on its intended location for further discussion with the park management in 2004.

### **Reddall Reserve (Lake Entrance)**

In 2003/04 major foreshore works undertaken by the Authority continued to improve the recreational amenity at Reddall Reserve, which borders the swimming lagoon recently constructed by the Authority near the lake's entrance. Work included pathway improvements to the promenade, the construction of a number of shelter sheds and BBQs, landscaping and an extension to the shared pathway.

Participants under a 'Work for the Dole' program assisted with the construction of the shelter sheds and shared pathway. Work that remains to be completed includes lighting, landscaping, and car parking. This area has proven to be extremely popular with residents and visitors.

Minor maintenance work was carried out on land owned by the Authority around the southern approach of Windang Bridge. Work included mowing, weeding, removal of litter and minor landscaping.

**King St Foreshore**

Maintenance of the King St foreshore site continued in 2003/04. Work included mowing and slashing of grassed areas, weeding landscaped areas, removal of litter and the replacement of pavers along the promenade.

**Northcliffe Drive Foreshore**

During 2003/04 work included mowing and slashing of grassed areas, weeding landscaped areas, removal of litter and repairs to the irrigation system.

**Koona Bay Shareway**

Investigations continued into extending a section of shared pathway around Koona Bay. Council proposes seeking community input to the route in mid 2005.

**Yallah Foreshore (Former Tallawarra Power Station Site)**

Minor works were carried out along the foreshore of the former Tallawarra Power station site to secure and make safe infrastructure transferred to the Authority following the sale of the site in 2003. Work included repairs to an amenities building, security fencing, placing gravel in the car park, regrading the informal boat ramp and the mowing of grassed areas. It is planned to convert the squash court and office into a meeting room.

**Minor Foreshore Improvements**

Minor foreshore improvements were carried out at a number of sites including Purrah Bay, Macquarie Rivulet and along the Windang Peninsula (Heritage Park). Work generally involved mowing, weeding, removal of litter and works to ensure public safety.

Minor repairs were also carried out to a number of jetties, viewing platforms and boardwalk structures located around the lake.

## **OTHER INITIATIVES AND INVOLVEMENTS**

Other initiatives and involvements of the Authority during the year included the following.

### **Aerial Photography**

Aerial photography of the lake entrance area was carried out on a monthly basis at a scale of approximately 1:8000. The photographs were used by the Authority to monitor channel shoal patterns and the impact of the entrance work on sand movement from Perkins Beach and Warilla Beach. The photographs will form part of the Authority's baseline database to monitor the performance of the proposed entrance works.

### **History of Lake Illawarra**

Preparation of a book titled "History of Lake Illawarra" continued throughout the year. The book tells the story of the lake and surrounding land since European settlement, and is presented as a mixture of narrative, documentary and environmental history. The document should be completed in 2004 and will be distributed to all Illawarra schools and other relevant groups.

### **Clean Up Australia Day**

Clean Up Australia Day was held on Sunday 7 March 2004. The Authority removed many tonnes of litter and rubbish from the lake as part of the community action day.

### **Lakeside Ride**

The Authority assisted with the planning for the inaugural "Lakeside Ride" a family fun bicycle event supporting the Heart Foundation. The ride started at the Illawarra Police Youth Citizens Club, Lake Illawarra and finished at Hooka Point, Berkeley, a distance of approximately 15km.

The ride took place on 28 September 2003 during bike week and around 250 people took part in the event.

Following the success of the event in 2003, it is anticipated that the "Lakeside Ride" will become an annual family cycle event.

### **Reddall Reserve Kiosk**

The Authority entered into a fresh Agreement for Lease with Shellharbour City Council to allow the Council to extend the existing kiosk on land owned by the Authority. The Agreement allows Council to assign its rights and obligations in relation to the design and construction to an assignee who will carry out the design and construction and take a sub-lease of the property.

Council called for Expressions of Interest in October 2003 to develop the site. No tenders were received. Council readvertised in early 2004, which resulted in limited interest. Council is currently considering the future of the kiosk in consultation with the Authority.

## **Transfer of Foreshore Lands at Yallah (former Tallawarra Power Station site) to the Authority**

The formal completion of the sale of the former Tallawarra Power Station site at Yallah to TXU took place on 30 April 2003. The transfer of an area of land making up part of the bed of the lake and other foreshore land to the Authority took effect from 2 May 2003. The transfer of the land to the Authority was effected by the Treasurer making an order (the Transfer Order) under the Energy Services Corporations Act 1995 to transfer Pacific Power's interest in the land to the LIA. (Pacific Power was the former owner of the land).

The principle features of the Transfer Order covered amongst other things provisions relating to easements, current licences and access to adjoining lands

## **Addition of the Foreshore Land to the Authority's Development Area**

The Department of Infrastructure, Planning and Natural Resources prepared an Executive Counsel Minute for consideration by the Hon. Dianne Beamer, MP, Minister Assisting the Minister for Infrastructure and Planning (Planning Administration) to add the foreshore land at Yallah to the development area as defined in Schedule 1 of the Lake Illawarra Authority Act 1987.

For the first time since the Authority was formed in 1988, the whole of the bed of the lake came under the Authority's control and responsibility.

## **Symposium on Management of Lake Illawarra**

The Authority in conjunction with the University of Wollongong held a symposium on 13-14 November 2003 to discuss science and decision making processes related to the management of the lake. The symposium was officially opened by the Vice Chancellor of the University of Wollongong and the Hon. David Campbell, MP, Minister for Regional Development, Minister for the Illawarra and Minister for Small Business.

Some 70 people attended the symposium, including members of the public.

Over the 2 days, some 20 papers were presented on a wide range of scientific, environmental and engineering issues. Published proceedings of the symposium presentations will be completed in 2004.

## **Southern Rivers Catchment Management Authority**

In October 2003, the NSW Government abolished the Catchment Management Boards and established a number of Catchment Management Authorities to oversee protection of our native vegetation and natural resources and to substantially strengthen the involvement of regional communities in decision making and program delivery. The Southern Rivers Catchment Management Authority will play a major role in the management of South Coast catchments from Port Hacking in the north to the Victorian border. The catchment's natural landscape includes Lake Illawarra.

Included in the last update to the Lake Illawarra Authority Act 1987, one member of the Lake Illawarra Authority is to be the chairperson of the board of the Catchment Management Authority under the Catchment Management Authorities Act 2003 whose area of operation includes Lake Illawarra.

The two authorities are committed to a close working relationship to address key issues in the catchment of the lake.

### **Australia Day Regatta**

The Authority made a small contribution towards presentation costs as part of the Australia Day Regatta hosted by the Illawarra Yacht Club. The regatta held on Griffins Bay for the past four years attracted 53 yachting enthusiasts from around the state. Following improvements to the lake, this event is now part of the Australia Day Regatta which has been based on Sydney Harbour for the past 168 years.

### **Administration of the Lake Illawarra Authority Act 1987**

Following the NSW Government's restructuring of departments, which came into force on 2 April 2003, administration of the Lake Illawarra Authority Act 1987, was allocated to the Minister for Infrastructure and Planning as listed under the "Allocation of Administration of Acts" in the Special Supplement of the Government Gazette Number 67.

### **Freedom of Information**

There were no requests made to the Authority for information under the Freedom of Information (FOI) Act 1989 during the year.

### **Risk Management and Insurance**

The Department of Infrastructure, Planning and Natural Resources provided executive support to the Authority. The Authority is covered for risk by the Treasury Managed Fund.

### **Significant Submissions to Other Agencies**

The Authority provided advice to Wollongong and Shellharbour City Councils and the Southern Catchment Management Board (now part of the Southern Rivers Catchment Management Authority) regarding planning matters within the Lake Illawarra Catchment.

### **Regulations Gazetted**

Since the Authority was established in 1988 the following gazettals have been processed to facilitate the achievement of the Authority's objectives.

Lake Illawarra Authority Regulation 2002  
Published in Gazette No. 133 dated 23 August 2002

### **Publications Currently Available**

Since 1988 the Authority has produced some 85 technical reports. Those prepared this year include:

- Lake Illawarra Fishing Guide
- Draft A History of Lake Illawarra
- Tallawarra Foreshore Land Assessment of Land Use Options

## **Consultants**

Details of technical and engineering consultants used during the financial year.

i) Greater than \$30,000 (inclusive of GST)

Lawson and Treloar - Proposed Northern Training Wall off Perkins Beach  
(\$37,125)

ii) Less than \$30,000

Total number of projects 5

All of the above were technical consultancies managed by the Authority.

## SUMMARY OF LAND

The land, which the Authority is to develop is vested in the Authority.

The 'development area' is described in Schedule 1 of the Lake Illawarra Authority Act (1987). Briefly it is described as being that land bounded by the mean high water mark of Lake Illawarra and bounded at the entrance of the Lake.

Since 1988 land reclamation has been undertaken on the northern and eastern foreshores of Griffins Bay along Northcliffe Drive and King Street respectively, Lake Illawarra South around the southern approach of Windang Bridge, Koonawarra Bay shoreline and Skiway Park.

In July 2000 the Authority acquired parcels of Crown land and Wollongong City Council freehold land at a number of locations around the lake shoreline. The land acquired and added to the Lake Illawarra Authority 'development area' was published in the Government Gazette No. 88 dated 14 July 2000 pages 6273/4. Certificates of titles have been issued for the freehold land and the transfer of Crown lands has been registered in Deed Registered Book 4297 No. 783.

The State Valuation Office has previously assessed a market value of the land described above. Based on the SVO assessments the Authority has prepared an interim estimate of the land value as at 31 March 2004 as:

Griffins Bay (Northcliffe Drive and King St)	\$2,281,100
Lake Illawarra South	\$180,000
Koonawarra Bay	\$55,000
Skiway Park	\$52,000
Berkeley Boatharbour	\$170,000
Former Merinda Site, Northcliffe Drive	\$63,000

Part of the subject land along Northcliffe Drive adjacent Griffins Bay includes a portion that was transferred to the Authority in 1997. This portion has been divided into 2 lots for leasing to the Department of Defence and the Illawarra Rowing Club.

The Authority with 50% financial assistance from Wollongong City Council purchased a property at Lot 1 DP 9944 being No. 17 Judbooley Parade, Windang in April 1998. The purchase price of the property was \$380,000. The property was acquired for the purposes of improving the environment of the lake and its foreshores.

The State Valuation Office has previously assessed a market value of the property. Based on the SVO assessment the Authority has prepared an interim estimate of the property value as at 31 March 2004 as \$500,000 made up of land value \$380,000 and building value \$120,000.

The Authority with 50% financial assistance from Wollongong City Council purchased a property at Lot 6 DP 9944 being No. 7 Judbooley Parade, Windang in August 2001. The purchase price of the property was \$438,000. The property was acquired for the purposes of improving the environment of the lake and its foreshores and notably to re establish public access to the foreshores.

The State Valuation Office has previously assessed a market value of the property. Based on the SVO assessment the Authority has prepared an interim estimate of the property value as at 31 March 2004 as \$500,000 made up of land value \$425,000 and building value \$75,000.

The two Judbooley Parade properties have absolute water frontage and will be considered in the Plan of Management proposed for the area between the Windang Bridge and Oaklands Village.

The Authority was appointed as Trustee of Reserve 51678 at Cudgerie Island, dated 12 January 2001.

On 2 May 2003 as part of the sale of Pacific Power's Tallawarra Power Station, approximately 161.4 ha of land was transferred to the Authority. The land included Lot 1 DP 340578 and Part Lot 110 in unregistered DP 1050302. Part of Lot 110 includes a large area of land below the mean high water mark, being the bed of the Lake. Arrangements have been made to add this land to the Authority's development area.

The State Valuation Office has valued the 'foreshore land', being approximately 17ha, at \$350,000 and the improvements on the land such as squash court/office, pool, barbeques, fences etc at \$80,000 as at 31 March 2004. Certificates of Title for the land were issued by the LPI on 17 October 2003.

# LAKE ILLAWARRA AUTHORITY PROVISIONAL BUDGET 2004 / 05

For year 1 April 2004 to 31 March 2005

INCOME	AMOUNT (\$)	NOTES
NSW Government	580,000	1
Other NSW Govt Grants	1,050,000	2
Combined Councils (WCC / SCC)	1,130,000	3
Other Income	350,000	4
<b>TOTALS</b>	<b>3,110,000</b>	

EXPENDITURE	AMOUNT (\$)	NOTES
Algae Harvesting	50,000	
Foreshore Clean up	100,000	
King St Foreshore Maintenance	10,000	
King St Tourist Development EoI	20,000	
Northcliffe Drive Foreshore Maintenance	15,000	
Northcliffe Drive Amenities Building & Surrounds	300,000	
Von Guerard Park Maintenance	5,000	
Hooka Point Park Works	32,500	
Wollamai Point Works	10,000	
Koonawarra Bay Stg 2 Dredging	20,000	
Koonawarra Bay Maintenance	5,000	
Koonawarra Bay Wave Break Jetty	80,000	
Koonawarra Bay Southern Shoreline Works	30,000	
Berkeley Boatharbour Maintenance	10,000	
Reddall Reserve Works	200,000	
Reddall Reserve (around bridge) Maintenance	20,000	
Entrance Management Maintenance	20,000	
Entrance Management – Stage 2 Design and EIS	100,000	
Entrance Management – Stage 2 Works	1,100,000	
Windang Peninsula Foreshore Maintenance	10,000	
Back Channel Options Report / EIS	30,000	
Lake Management Plan	15,000	
Windang Entrance Foreshore Works	20,000	
Judbooley Parade Plan of Management	10,000	
Burroo Bay Dredging – Feasibility Report	20,000	
Lake Illawarra Floodplain Management Study	5,000	
Lake Water Quality Monitoring	20,000	
Oaklands Village Shareway (Public Right of Access)	20,000	
Brooks Creek Pollution Control Works	50,000	
Koona Bay Shareway	200,000	

Tallawarra P/S Foreshore Maintenance	10,000	
Tallawarra P/S Foreshore Improvements	100,000	
Wetland and Stormwater Control Maintenance	20,000	
Project Security	7,000	
Macquarie Rivulet Wharf	10,000	
General Foreshore Maintenance	20,000	
Jetty / Platform / Boardwalk Maintenance	5,000	
Signage general	5,000	
Judbooley Pde Properties	23,000	
Land Matters, Lease / Licences	2,500	
Public Communications	5,000	
Administration and Miscellaneous Services	375,000	
<b>TOTAL</b>	<b>3,110,000</b>	

#### NOTES

1. State Government subsidy to be received under the Estuary Management Program for Lake Restoration (made up of 25% from 2003/04 and 75% from 2004/05 allocations)
2. State Government subsidies to be received under other programs for works not covered under Note 1. The government has agreed to provide \$1 million toward necessary works and studies for entrance improvements in 2004/05. Shellharbour City Council has agreed to contribute \$500,000 toward the project in 2004/05 whilst Wollongong City Council has indicated that it will not contribute until 2005/06.
3. Combined cash and 'in kind' contribution to be received from Wollongong and Shellharbour City Councils.
4. Income to be received from interest, rentals, leases and licences and allowance for accounting management by DIPNR.

## COMPARISON BETWEEN THE PROVISIONAL BUDGET AND ACTUAL EXPENDITURE 2003/04

For year ending 31 March 2004

INCOME	AMOUNT (\$'000)	ACTUAL (\$'000)	NOTES
NSW Government	650	355	1
Other NSW Govt Grants	50	38	2
Combined Councils (WCC / SCC)	700	470	3
Other Income	50	376	4
<b>TOTALS</b>	<b>1450</b>	<b>1239</b>	

EXPENDITURE	AMOUNT (\$'000)	ACTUAL (\$'000)	NOTES
Algae Harvesting	50	5.6	5
Foreshore Cleanup	100	77.6	6
King St Foreshore Maintenance	10	15.0	7
King St Tourist Development EoI	5	8.3	8
Northcliffe Drive Foreshore Maintenance	15	12.3	9
Northcliffe Drive Amenities Building & Surrounds	200	36.4	10
Kully Bay Oval Toilet Block Refurbishment	10	8.6	11
Von Guerard Park Maintenance	5	5.0	12
Hooka Point Park Works	20	18.6	13
Wollamai Point Works	10	12.1	14
Koonawarra Bay Stg 2 Dredging	18	0	15
Koonawarra Bay Maintenance	0	10.2	16
Koonawarra Bay Wave Break Jetty	80	29.8	17
Koonawarra Bay Southern Shoreline Works	30	35.2	18
Cycleway Improvements WCC	0	7.2	19
Berkeley Boatharbour Maintenance	0	5.7	20
Reddall Reserve Works	378	324.8	21
Reddall Reserve (around bridge) Maintenance	20	26.5	22
Entrance Management – Emergency Opening	20	34.6	23
Entrance Management – Northern Breakwall Preconstruction Activities <sup>(1)</sup>	27	38.7	24
Warilla Beach Nourishment	100	0	25
Windang Peninsula Foreshore Maintenance	10	15.0	26
Back Channel EIS	5	30.4	27
Lake Management Plan	15	10.6	28
Windang Entrance Foreshore Works	10	1.1	29
Windang Entrance Jetty	50	14.1	30
Judbooley Parade Plan of Management	5	0	31
Burroo Bay Dredging (Oak Flats Sailing Club)	20	0	32
Lake Illawarra Floodplain Management Study	5	0.9	33
Lake Water Quality Monitoring	5	25.5	34
Oaklands Village Shareway (Public Right of Access)	15	0	35
Brooks Creek Pollution Control Boom	57	0	36
Koona Bay Shareway	10	3.8	37
Tallawarra P/S Foreshore Works	0	19.0	38
Wetland and Stormwater Control Maintenance	20	34.6	39
University Lake Research Projects	10	0	40
Project Security	5	5.9	41
Macquarie Rivulet Wharf	10	0	42
Jetty / Platform / Boardwalk Maintenance	5	1.7	43
Signage general	5	0	44
Judbooley Pde Properties	7.5	11.8	45
Land Matters, Lease / Licences	2.5	4.1	46
Public Communications	5	4.9	47
Administration and Miscellaneous Services	75	426.4	48
<b>TOTAL</b>	<b>1450</b>	<b>1322</b>	

## **NOTES**

### **INCOME**

1. State Government subsidies received under the Estuary Management Program from the Department of Land and Water Conservation.
2. State Government subsidies received under other programs for works not covered under Note 1.
3. Combined cash and 'in kind' contribution received from Wollongong and Shellharbour City Councils.
4. Income from interest, rentals, leases and licences and allowance for accounting management by DIPNR.

### **EXPENDITURE**

5. No algal harvesting undertaken because there was very little algae in the lake.
6. Removal of organic wrack and rubbish from the shoreline was carried out on a number of occasions.
7. Minor maintenance works undertaken – mowing, weeding and rubbish removal.
8. Draft Cabinet Minute prepared to amend the LIA Act to allow the types of development proposed to proceed.
9. Minor maintenance works undertaken – mowing, weeding and rubbish removal.
10. Major building works advanced.
11. Minor building works carried out.
12. Minor maintenance works carried out.
13. Bush regeneration works progressed.
14. Bush regeneration works progressed.
15. No dredging undertaken.
16. Minor maintenance works carried out.
17. Structural timbers purchased for jetty.
18. Foreshore works progressed – weeding, landscaping, shareway and seating
19. Shareway works carried out.
20. Dredging works carried out to improve navigation.
21. Major foreshore works progressed – shareway, car parks, shelters, BBQs, lighting and landscaping.
22. Minor maintenance works undertaken – mowing, weeding, gardening and rubbish removal.
23. Entrance opened to alleviate flooding.
24. Design of proposed breakwaters and channel dredging at the entrance progressed.
25. Beach nourishment works not undertaken – will form part of stage 2 entrance works.
26. Minor maintenance works undertaken - mowing, weeding, gardening and rubbish removal.
27. Assessment of options to improve the Back Channel progressed.
28. Management Plan progressed.
29. Access ramp added to boardwalk.
30. Works commenced to replace jetty piles and decking.
31. Commencement of Plan of Management delayed.
32. No work undertaken.
33. Floodplain Management Study progressed.
34. Water quality monitoring continued at several sites.
35. Discussions held with Wollongong City Council and the park management.
36. No work carried out - pending geotechnical assessment.

37. Route selection advanced.
38. Minor works carried out – mowing, car park, fencing and building repairs.
39. Minor maintenance undertaken – fixing outlet controls, repairing fences, weeding, rubbish removal etc.
40. University projects completed.
41. Security required for work sites around the lake.
42. No work undertaken.
43. Minor maintenance works undertaken – repairs to jetty decking, handrails etc
44. No signs installed.
45. Council rates and minor repairs.
46. Costs associated with land matters.
47. Newsletters, advertising and printing.
48. Costs associated with administration, auditing, insurances, member fees, depreciation and miscellaneous expenses.

# **INDEPENDENT AUDIT REPORT**

**To Members of the New South Wales Parliament and Members of the Authority**

**LAKE ILLAWARRA AUTHORITY  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2004**

**CERTIFICATE UNDER SECTION 41C (1B) AND (1C) OF THE  
PUBLIC FINANCE AND AUDIT ACT, 1983**

In our opinion the financial statements consisting of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes attached thereto for the year ended 31 March 2004 exhibit a true and fair view of the financial position and transactions of the Lake Illawarra Authority.

The financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, and the Public Finance and Audit Regulation, 2000 and the Treasurer's Directions as they relate to the preparation of accounts.

We are not aware at this time of any circumstances, which would render any particulars in the financial statements to be misleading or inaccurate.

This certificate is given for and on behalf of the Authority.

S D PROSSER  
CHAIRMAN

DATE: 28 June 2004

R. DOYLE  
MEMBER

DATE: 28 June 2004

**LAKE ILLAWARRA AUTHORITY  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 MARCH 2004**

		<b>2004</b>	<b>2003</b>
		] \$'000	\$'000
		(	
		1	
		(	
Revenues from ordinary activities	6	1,239	1,968
Expenses from ordinary activities	3	1,322	2,020
		<hr/>	<hr/>
<u>Net (loss) from ordinary activities</u>		(83)	(52)
		<hr/>	<hr/>
<b>Total revenues, expenses and valuation adjustments recognised directly in equity</b>		<b>(83)</b>	<b>(52)</b>
		<hr/>	<hr/>
<u>Total changes in equity other than resulting from transactions with owners as owners</u>	10	<b>(83)</b>	<b>(52)</b>
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

**LAKE ILLAWARRA AUTHORITY  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2004**

		2004 \$'000	2003 \$'000
	<b>Not e</b>		
<i>Current Assets</i>			
Cash		1,741	944
Receivables	8	<u>35</u>	<u>923</u>
<b>Total Current Assets</b>		<b><u>1,776</u></b>	<b><u>1,867</u></b>
 <i>Non-Current Assets</i>			
Land	2(e) & 7	3,729	3,379
Buildings	7	<u>103</u>	<u>107</u>
<b>Total Non-Current Assets</b>		<b><u>3,832</u></b>	<b><u>3,486</u></b>
 <b>Total Assets</b>		 <b><u>5,608</u></b>	 <b><u>5,353</u></b>
 <i>Current Liabilities</i>			
Payables	9	<u>1,589</u>	<u>1,681</u>
<b>Total Current Liabilities</b>		<b><u>1,589</u></b>	<b><u>1,681</u></b>
 <b>Total Liabilities</b>		 <b><u>1,589</u></b>	 <b><u>1,681</u></b>
 <b>Net Assets</b>		 <b><u>4,019</u></b>	 <b><u>3,672</u></b>
 <b>Equity</b>			
Retained surplus	10	<u>4,019</u>	<u>3,672</u>
		<b><u>4,019</u></b>	<b><u>3,672</u></b>

The accompanying notes form part of these financial statements.

**LAKE ILLAWARRA AUTHORITY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2004**

	<b>2004</b>	<b>2003</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Cash flows from operating activities</i>		
Receipts from contributors	1,416	1,745
Payments to suppliers	(743)	(1,623)
Interest received	29	21
Other receipts	95	216
<i>Net cash provided by operating activities</i>	14(a) <u>797</u>	<u>359</u>
<i>Cash flows from investing activities</i>		
Purchase of fixed asset	-	-
<i>Net cash used in investing activities</i>	<u>-</u>	<u>-</u>
Net increase in cash held	797	359
Cash at the beginning of the reporting period	944	585
<b>Cash at the end of the reporting period</b>	<b><u>1,741</u></b>	<b><u>944</u></b>

The accompanying notes form part of these financial statements

**LAKE ILLAWARRA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2004**

**1. The Reporting Entity**

The NSW Government established the Lake Illawarra Authority with the aim of transforming the degraded waters and foreshores of Lake Illawarra into an attractive recreational and tourist resource by repairing the environmental damage, which had accumulated over decades of development of the catchment. The Lake Illawarra Authority Act 1987 was proclaimed on 11 February 1988. The authority operates in New South Wales, Australia. The office is located at 84 Crown Street, Wollongong, NSW 2500.

**2. Summary of Significant Accounting Policies**

**(a) Basis of Accounting**

The authority's financial statements are a general-purpose financial report, and has been prepared in accordance with:

- applicable Australian Accounting Standards;
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB);
- Urgent Issues Group (UIG) Consensus Views;
- the requirements of the Public Finance and Audit Act and Regulations.

Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

In the absence of a specific Accounting Standard, other authoritative pronouncement of the AASB or UIG Consensus View, the hierarchy of the pronouncements as outlined in AAS 6 "Accounting Policies" is considered.

The financial report has been prepared on an accrual basis and in accordance with the historical cost convention except where stated. Comparative information is reclassified where appropriate to enhance comparability.

- (b)** The financial report is prepared on a going concern basis. It is expected that the Authority will continue to operate until all of its objectives under the legislation are fulfilled.
- (c)** Section 23(1) of the Lake Illawarra Authority Act 1987 stipulates that the financial year of the Authority commences on 1 April.
- (d)** The contributors to the Lake Illawarra Authority have agreed to the following rates of contributions to the various programs:

For programs that are attributable to all three contributors costs will be apportioned on the basis of 50% State Government; 34.4% Wollongong City Council ; 15.6% Shellharbour City Council. For programs that affect only the portion of the Lake Illawarra Area within the responsibility of either Wollongong City Council or Shellharbour City Council, the State Government will contribute on a 50:50 basis with the responsible Council.

**LAKE ILLAWARRA AUTHORITY  
NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2004**

**2. Summary of Significant Accounting Policies (continued)**

(e) The cost method of accounting is used for all acquisitions of assets. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

Assets acquired at no cost or for nominal consideration are initially recognised at their fair value at the date of acquisition. Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

Non current assets are revalued every five years. Revaluation increments relating to the same class are credited to the asset revaluation reserve. Revaluation decrements relating to the same class are debited to income and expenditure statement except to the extent that they reverse revaluation increments included in the asset revaluation reserve.

In accordance with the Treasurer's Directions the Authority's non-current assets were revalued in March 2001 by the State Valuation Office. These valuations reflect market value.

Land vested in the Authority for development was formerly Crown Land. The Lake Illawarra Authority Act intends that once development work is completed the Authority returns the area to Crown land status.

**(f) Employee Entitlements**

Lake Illawarra Authority (LIA) has no employees and accordingly there are no employee entitlements. Accounting administration and other duties performed on behalf of the LIA by Department of Infrastructure, Planning and Natural Resources and are on a fee for service basis.

**(g) Depreciation**

Depreciation is provided on buildings and is calculated on a straight-line basis. Following estimated useful lives are used in the calculation:

Buildings/Improvements 3 – 20 years

**(h) Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific criteria must also be met before revenue is recognised:

*(i) Rendering of services*

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract. When the contract outcome cannot be reliably measured, revenue is recognised only to the extent that costs have been incurred.

**LAKE ILLAWARRA AUTHORITY  
NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2004**

**2. Summary of Significant Accounting Policies (continued)**

**(h) Revenue**

*(ii) Interest*

Control of a right to receive consideration for the provision of, or investment in, assets have been attained.

*(iii) Contributions of assets*

Revenue is recognised when control of the contributions (at their fair value) has passed to the Authority and the service has been provided in the case of contributions.

*(iv) Lease Income*

Lease income is recognised on the basis of the contract and when the control of the right to receive the rentals is obtained.

**(i) Financial Instrument**

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. For the Lake Illawarra Authority financial instruments range from cash at bank and accounts receivable to creditors. In accordance with AAS 33 "Presentation and Disclosure of Financial Instruments" information is disclosed in Note 15 in respect of the interest rate risk and credit risk of financial instruments. All such amounts are carried in the accounts at net fair value unless otherwise stated. The net fair value of a financial asset or financial liability is the amount at which the asset could be exchanged or a liability settled in a current transaction between willing parties after allowing for transaction costs.

**(j) Accounting for the Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred by the agency as a purchaser is not recoverable from the Australian Taxation Office and is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are stated with the amount of GST included.

**3. Expenses from ordinary activities**

	<b>2004</b>	<b>2003</b>
	<b>\$'000</b>	<b>\$'000</b>
Contract Services	108	102
Fees for Services	376	825
Project expenses	458	691
Depreciation on Buildings	84	104
Accounting, management and engineering services	296	298
<b>Total expenses from ordinary activities</b>	<b><u>1,322</u></b>	<b><u>2,020</u></b>

**LAKE ILLAWARRA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2004**

**4. Audit Fee**

The fee for auditing Lake Illawarra Authority accounts for the year ended 31 March 2004 is \$8,600 (2003 - \$8,000) payable to the Audit Office of NSW. The Audit Office received no other benefit.

**5. Members' Fees**

During the year Lake Illawarra Authority paid its members a total of \$5,061(2003 - \$3,284) for attending board meetings.

**6. Revenue from ordinary activities**

	2004 \$'000	2003 \$'000
Contributions:		
Department of Infrastructure, Planning and Natural Resources	355	659
Wollongong City Council	211	421
Shellharbour City Council	259	384
	<u>825</u>	<u>1,464</u>
Other Income comprises:		
Grants	38	146
Interest	33	23
Rentals	28	16
Miscellaneous	19	21
Accounting, management and engineering services	296	298
	<u>414</u>	<u>504</u>
	<u>1,239</u>	<u>1,968</u>

**7. Non-Current Assets**

	Land	Buildings	Total
<b><u>At Valuation</u></b>			
At 1 April 2003	3,379	360	3,739
Additions	350	80	430
At 31 March 2004	<u>3,729</u>	<u>440</u>	<u>4,169</u>
<b><u>Depreciation</u></b>			
At 1 April 2003	-	253	253
Depreciation	-	84	84
At 31 March 2004	<u>-</u>	<u>337</u>	<u>337</u>
<b><u>Carrying Value at valuations</u></b>			
At 31 March 2004	<u>3,729</u>	<u>103</u>	<u>3,832</u>
At 31 March 2003	<u>3,379</u>	<u>107</u>	<u>3,486</u>

**LAKE ILLAWARRA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2004**

**8. Current Assets – Receivables**

	<b>2004</b> <b>\$'000</b>	<b>2003</b> <b>\$'000</b>
Trade Debtors	-	-
Other Debtors		
Wollongong City Council	-	897
Shellharbour City Council	-	-
Accrued Bank Interest	10	6
Other	25	20
	<u>35</u>	<u>923</u>
<b>Total Debtors</b>	<b><u>35</u></b>	<b><u>923</u></b>

Trade debtors are required to be settled within 30 Days. A provision for doubtful debts has not been established as it is considered by the Authority that all debt owing is recoverable.

**9. Current Liabilities - Payables**

Payables		
Wollongong City Council	243	1,091
Shellharbour City Council	293	308
Accrued Expenses	78	107
Prepaid Income	975	175
	<u>1,589</u>	<u>1,681</u>
<b>Total Payables</b>	<b><u>1,589</u></b>	<b><u>1,681</u></b>

Trade accounts payables are generally settled within 30 days. The Authority considers the carrying amounts of creditors approximate to their fair value.

**10. Equity**

<b>Total equity at the beginning of the financial year</b>	3,672	3,724
Changes in equity – transactions with owners as owners		
Increase in net assets from equity transfer	430	-
Changes in equity – other than transactions with owners as owners	-	-
Net surplus/(loss)	(83)	(52)
<b>Total equity at reporting date</b>	<b><u>4,019</u></b>	<b><u>3,672</u></b>

**LAKE ILLAWARRA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2004**

**11. Increase in Net Assets from Equity transfers**

Fair value of net assets transferred from Pacific Power as per Note 10.

	<b>2004</b>
	<b>\$'000</b>
Land	350
Buildings	80
<b>Net Assets acquired</b>	<b><u>430</u></b>

**12. Contingent liabilities**

The Authority's contingent liability at 31 March 2004 is \$Nil (2003 - \$Nil).

**13. Commitments for Expenditure**

	<b>2004</b>	<b>2003</b>
	<b>\$'000</b>	<b>\$'000</b>
(a) Capital Commitments including GST Not later than 1 year	1,123	347
(b) Other Expenditure including GST	<u>-</u>	<u>-</u>
	<u>1,123</u>	<u>347</u>

Input Tax Credit of \$102,078 to be received from the Australian Taxation Office (2003 - \$31,500).

**14. Note to the Statement of Cash Flows**

For the purposes of the statement of cash flows, cash includes cash on hand and in banks.

**a. Reconciliation of net cash provided by operating activities to net (loss):**

Net (Loss)	(83)	(52)
Depreciation	<u>84</u>	<u>104</u>
	<b>1</b>	<b>52</b>
<b>Changes in Operating Assets and Liabilities</b>		
Decrease in Receivables	888	21
(Decrease)/Increase in Payables	(92)	286
<b>Net Cash Provided by Operating Activities</b>	<b><u>797</u></b>	<b><u>359</u></b>

**LAKE ILLAWARRA AUTHORITY**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2004**

**15. Additional Financial Instruments Disclosure**

(i) Interest Rate Risk

Interest rate risk, is the risk that the value of the instruments will fluctuate due to changes in market interest rates. The entity's exposure to interest rate risk and the effective interest rates of financial assets and liabilities at the balance date are as follows:

	Weighted average effective interest  rate 3.93 %	Floating Interest  Rate  \$000	Fixed Interest Rate Maturities			Non Interest Bearing  \$000	Total Carrying amount as per the Financial Position  \$000
			1 year or less \$000	1 to 5 Year s \$000	More Than 5 Year s \$000		
<b>31 March 2004</b>							
<i>Financial Assets</i>							
Cash	1,741	-	-	-	-	-	1,741
Receivables	-	-	-	-	-	35	35
<b>Total Financial Assets</b>	<b>1,741</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35</b>	<b>1,776</b>
<i>Financial Liabilities</i>							
Creditors	-	-	-	-	-	1,589	1,589
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,589</b>	<b>1,589</b>
<b>31 March 2003</b>	<b>3.68</b>						
<i>Financial Assets</i>							
Cash	944	-	-	-	-	-	944
Receivables	-	-	-	-	-	923	923
<b>Total Financial Assets</b>	<b>944</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>923</b>	<b>1,867</b>
<i>Financial Liabilities</i>							
Creditors	-	-	-	-	-	1,681	1,681
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,681</b>	<b>1,681</b>

(ii) Credit Risk

Credit risk is the risk of financial loss arising from another party to a contract/or financial position failing to discharge a financial obligation thereunder. The entity's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the Statement of Financial Position.

**End of Audited Financial Statements**

## Key to Map

1. Joes Bay Wetland
2. Warrawong Maritime Jetty
3. King Street Foreshore Improvements
4. Kully Bay Wetland
5. Bob Grabham Jetty
6. Northcliffe Drive Foreshore Improvements
7. Illawarra Rowing Club/ Department of Defence Buildings
8. Dixs Wharf
9. Wollamai Point Improvements
10. Wollamai Jetty
11. Budjong Creek Wetland
12. Tuggerah Bay Jetty
13. Hooka Point
14. Purrah Bay Improvements
15. Kanahooka Boat Ramp
16. Koonawarra Bay Foreshore and Jetty
17. Koonawarra Bay Southern Foreshore
18. Koonawarra Bay Improvements
19. Burroo Bay and Oak Flats Jetty
20. Central Park Improvements
21. Hennegar Bay Improvements
22. Skiway Park Improvements/ Jetty
23. Madigan Boulevard Stormwater Control
24. Boonerah Point Improvements/ Jetty
25. Lake Entrance Works
26. Judbooley Parade Property
27. Windang Peninsula Improvements
28. Purry Burry Point Jetty
29. Illawarra Yacht Club pontoons
30. Illawarra Yacht Club Stormwater Control
31. Pelican View Reserve Stormwater Control
32. Konrads Road Stormwater Control
33. Howard Fowles Oval Wetland
34. Macquarie Rivulet Arboretum