



Hunter Water Corporation Media Release



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UPGRADE TO BURWOOD BEACH PLANT PART FUNDED BY SALE OF HUNTER WATER BUILDING

Hunter Water's iconic head office at Honeysuckle will be sold to part fund a likely multi-million dollar upgrade to Burwood Beach Wastewater Treatment Plant as it prepares for an increase of up to 20,000 people over the next two decades.

From this week residents will receive with their water bill, information about the potential upgrade and an invitation to tour the Burwood Beach site in March next year.

The Plant is the largest in the Lower Hunter, treating the wastewater for approximately 190,000 people from Newcastle and parts of Lake Macquarie. However Government forecasting shows the population serviced by the Plant will increase by up to 20,000 people over the next 20 years.

Hunter Water will commence consulting with the community and stakeholders in March on a number of possible upgrades to the Burwood Beach Plant.

Hunter Water Managing Director Kim Wood said the decision to sell the head office would help offset the cost of the upgrade at Burwood Beach.

"The challenge for Hunter Water is how we ensure its assets are prepared for the population growth predicted over the next 20 years while ensuring water prices remain among the most affordable in Australia.

"Hunter Water will spend \$435 million on capital works across the Lower Hunter over the next 4 years. This will be achieved while keeping water prices in-line with inflation only. To do this while minimising new borrowings and ensuring financial sustainability, requires Hunter Water to dispose of noncore assets such as the Head Office and a number of landholdings in the Dungog region previously bought for the now defunct Tillegra Dam.

"Hunter Water's head office is a stunning piece of architecture and was the first in Newcastle to receive a 4 star Australian Building Greenhouse Rating for its water and energy efficient initiatives.

"The property will go on the market with a condition that Hunter Water has a 10 year lease with an option for a further 5 years. The combination of the quality of the building, a long-term tenancy and the Government's decision to end the train line at Wickham will I expect ensure strong interest.

"The upgrade to Burwood Beach will be the fourth since 2009. Since that time, \$4 million has been invested on technology that removed odours from the area. A further \$43 million has been spent improving the secondary treatment process. Earlier this year a \$20 million effluent disinfection system was given the green light which will disinfect the effluent before its release at Burwood Beach," Kim Wood said.