Eurobodalla Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2010

"Good Government, Better Living"

EUROBODALLA SHIRE COUNCIL
Good Government, better living

Eurobodalla Shire Council

Special Schedules
for the financial year ended 30 June 2010

Contents

[1] Special Purpose Schedules are not audited.

Background

(i) These Special Schedules have been designed to meet the requirements of special purpose users such as;

- the NSW Grants Commission
- the Australian Bureau of Statistics (ABS),
- the NSW Office of Water,
- the Department of Environment, Climate Change and Water, and
- the Division of Local Government (DLG).

(ii) The financial data is collected for various uses including;

- the allocation of Financial Assistance Grants,
- the incorporation of Local Government financial figures in national statistics,
- the monitoring of loan approvals,
- the allocation of borrowing rights, and
- the monitoring of the financial activities of specific services.

Eurobodalla Shire Council

Special Schedule No. 1 - Net Cost of Services
for the financial year ended 30 June 2010

$'000

Function or Activity	Expenses from continuing operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Administration	**916**	**719**	**-**	**(197)**
Public Order and Safety				
Fire Service Levy, Fire Protection, Emergency Services	1,761	534	450	**(777)**
Beach Control	310	-	-	**(310)**
Enforcement of Local Govt Regs	541	179	-	**(362)**
Animal Control	170	71	-	**(99)**
Other	-	-	-	**-**
Total Public Order & Safety	**2,782**	**784**	**450**	**(1,548)**
Health	**424**	**112**	**-**	**(312)**
Environment				
Noxious Plants and Insect/Vermin Control	249	121	-	**(128)**
Other Environmental Protection	1,725	1,316	-	**(409)**
Solid Waste Management	7,312	8,894	19	**1,601**
Street Cleaning	335	-	-	**(335)**
Stormwater Management	908	432	124	**(352)**
Total Environment	**10,529**	**10,763**	**143**	**377**
Community Services and Education				
Administration & Education	1,567	735	13	**(819)**
Aged Persons and Disabled	3,005	2,961	-	**(44)**
Childrens Services	1,731	1,337	-	**(394)**
Total Community Services & Education	**6,303**	**5,033**	**13**	**(1,257)**
Housing and Community Amenities				
Public Cemeteries	128	139	-	**11**
Public Conveniences	695	-	30	**(665)**
Street Lighting	419	47	-	**(372)**
Town Panning	2,624	902	36	**(1,686)**
Other Community Amenities	371	24	-	**(347)**
Total Housing and Community Amenities	**4,237**	**1,112**	**66**	**(3,059)**
Water Supplies	**9,848**	**12,515**	**3,803**	**6,470**
Sewerage Services	**12,841**	**16,318**	**1,588**	**5,065**

Eurobodalla Shire Council

Special Schedule No. 1 - Net Cost of Services (continued)

for the financial year ended 30 June 2010

$'000

Function or Activity	Expenses from continuing operations	Income from continuing operations		Net Cost of Services
		Non Capital	Capital	
Recreation and Culture				
Public Libraries	1,425	167	233	(1,025)
Community Centres and Halls	352	143	(48)	(257)
Other Cultural Services	108	22	-	(86)
Sporting Grounds and Venues	1,444	295	86	(1,063)
Swimming Pools	906	9	-	(897)
Parks & Gardens (Lakes)	3,468	424	391	(2,653)
Other Sport and Recreation	1	10	218	227
Total Recreation and Culture	**7,704**	**1,070**	**880**	(5,754)
Fuel & Energy	-	-	-	-
Agriculture	-	-	-	-
Mining, Manufacturing and Construction				
Building Control	813	681	-	(132)
Other Mining, Manufacturing & Construction	3	-	-	(3)
Total Mining, Manufacturing and Const.	**816**	**681**	-	(135)
Transport and Communication				
Urban Roads (UR) - Local	4,433	854	969	(2,610)
Urban Roads - Regional	1,024	1,030	-	6
Sealed Rural Roads (SRR) - Local	3,315	568	449	(2,298)
Unsealed Rural Roads (URR) - Local	2,222	678	-	(1,544)
Bridges on UR - Local	116	-	-	(116)
Bridges on SRR - Local	418	144	-	(274)
Bridges on URR - Local	196	-	-	(196)
Parking Areas	298	154	32	(112)
Footpaths	387	383	267	263
Aerodromes	639	446	-	(193)
Other Transport & Communication	2,315	2,240	42	(33)
Total Transport and Communication	**15,363**	**6,497**	**1,759**	(7,107)
Economic Affairs				
Camping Areas & Caravan Parks	2,858	3,139	-	281
Other Economic Affairs	2,854	1,306	-	(1,548)
Total Economic Affairs	**5,712**	**4,445**	-	(1,267)
Totals – Functions	77,475	60,049	8,702	(8,724)
General Purpose Revenues(1)	85	23,956	1,221	25,177
NET OPERATING RESULT FOR YEAR	77,560	84,005	9,923	16,368

(1) Includes: Rates & Annual Charges (incl. Ex Gratia), Untied General Purpose Grants & Interest on Investments (excl. Restricted Assets)

Eurobodalla Shire Council

Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)

for the financial year ended 30 June 2010

$'000

Classification of Debt	Principal outstanding at beginning of the year			New Loans raised during the year	Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year		
	Current	Non Current	Total		From Revenue	Sinking Funds			Current	Non Current	Total
Loans (by Source)											
Commonwealth Government	-	100	**100**	-	-	-	-	6	-	100	**100**
Treasury Corporation	-	-	**-**	-	-	-	-	-	-	-	**-**
Other State Government	166	415	**581**	8,690	66	100	2	30	933	8,172	**9,105**
Public Subscription	-	-	**-**	-	-	-	-	-	-	-	**-**
Financial Institutions	5,159	39,024	**44,183**	12,091	5,159	-	-	2,994	4,933	46,182	**51,115**
Other	-	-	**-**	-	-	-	-	-	-	-	**-**
Total Loans	**5,325**	**39,539**	**44,864**	**20,781**	**5,225**	**100**	**2**	**3,030**	**5,866**	**54,454**	**60,320**
Other Long Term Debt											
Ratepayers Advances	-	-	**-**	-	-	-	-	-	-	-	**-**
Government Advances	-	-	**-**	-	-	-	-	-	-	-	**-**
Finance Leases	-	-	**-**	-	-	-	-	-	-	-	**-**
Deferred Payments	-	-	**-**	-	-	-	-	-	-	-	**-**
Total Long Term Debt	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Debt	**5,325**	**39,539**	**44,864**	**20,781**	**5,225**	**100**	**2**	**3,030**	**5,866**	**54,454**	**60,320**

Notes: Excludes (i) Internal Loans & (ii) Principal Inflows/Outflows relating to Loan Re-Financing.

This Schedule is prepared using the Face Value of debt obligations, rather than Fair Value (as per the GPFS's).

Eurobodalla Shire Council

Special Schedule No. 3 - Water Supply Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2010

$'000	Actuals 2010	Actuals 2009
A Expenses and Income		
Expenses		
1. Management expenses		
a. Administration	2,576	3,042
b. Engineering and Supervision	-	-
2. Operation and Maintenance expenses		
- Dams & Weirs		
a. Operation expenses	84	53
b. Maintenance expenses	13	9
- Mains		
c. Operation expenses	1,407	683
d. Maintenance expenses	738	726
- Reservoirs		
e. Operation expenses	168	266
f. Maintenance expenses	89	81
- Pumping Stations		
g. Operation expenses (excluding energy costs)	353	331
h. Energy costs	623	446
i. Maintenance expenses	156	109
- Treatment		
j. Operation expenses (excluding chemical costs)	2	2
k. Chemical costs	21	2
l. Maintenance expenses	6	4
- Other		
m. Operation expenses	260	220
n. Maintenance expenses	3	13
o. Purchase of water	-	-
3. Depreciation expenses		
a. System assets	2,708	2,679
b. Plant and equipment	128	149
4. Miscellaneous expenses		
a. Interest expenses	30	179
b. Revaluation Decrements	-	115
c. Other expenses	-	-
d. Tax Equivalents Dividends (actually paid)	22	22
5. Total expenses	**9,387**	**9,131**

Eurobodalla Shire Council

Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2010

$'000		Actuals 2010	Actuals 2009
	Income		
6.	**Residential charges**		
	a. Access (including rates)	5,669	5,483
	b. Usage charges	4,246	3,641
7.	**Non-residential charges**		
	a. Access (including rates)	538	476
	b. Usage charges	1,271	1,355
8.	**Extra charges**	-	-
9.	**Interest income**	355	116
10.	**Other income**	253	185
11.	**Grants**		
	a. Grants for acquisition of assets	2,186	7,650
	b. Grants for pensioner rebates	195	191
	c. Other grants	-	-
12.	**Contributions**		
	a. Developer charges	1,417	930
	b. Developer provided assets	154	592
	c. Other contributions	56	19
13.	**Total income**	**16,340**	**20,638**
14.	**Gain or loss on disposal of assets**	(483)	(1,176)
15.	**Operating Result**	**6,470**	**10,331**
15a.	**Operating Result (less grants for acquisition of assets)**	4,284	2,681

Eurobodalla Shire Council

Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2010

$'000		Actuals 2010	Actuals 2009
B	**Capital transactions**		
	Non-operating expenditures		
16.	**Acquisition of Fixed Assets**		
	a. Subsidised scheme	15,223	13,111
	b. Other new system assets	1,414	(367)
	c. Renewals	855	1,429
	d. Plant and equipment	223	144
17.	**Repayment of debt**		
	a. Loans	128	27
	b. Advances	-	-
	c. Finance leases	-	-
18.	**Transfer to sinking fund**	2	2
19.	**Totals**	**17,845**	**14,346**
	Non-operating funds employed		
20.	**Proceeds from disposal of assets**	32	43
21.	**Borrowing utilised**		
	a. Loans	7,259	-
	b. Advances	-	-
	c. Finance leases	-	-
22.	**Transfer from sinking fund**	-	-
23.	**Totals**	**7,291**	**43**
C	**Rates and charges**		
24.	**Number of assessments**		
	a. Residential (occupied)	17,940	17,758
	b. Residential (unoccupied, ie. vacant lot)	1,539	1,563
	c. Non-residential (occupied)	938	922
	d. Non-residential (unoccupied, ie. vacant lot)	81	83
25.	**Number of ETs for which developer charges were received**	140 ET	97 ET
26.	**Total amount of pensioner rebates (actual dollars)**	$ 353,000	$ 348,000

Eurobodalla Shire Council

Special Schedule No. 3 - Water Supply Cross Subsidies
for the financial year ended 30 June 2010

$'000	Yes	No	Amount
D Best practice annual charges and developer charges*			
27. Annual charges			
a. Does Council have best-practice water supply annual charges and usage charges*?		No	
If Yes, go to 28a. If No, please report if council has removed **land value** from access charges (ie rates)?	Yes		
NB. Such charges for both residential customers and non-residential customers comply with section 3.2 of Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
b. Cross-subsidy **from** residential customers using less than allowance (page 25 of Guidelines)			-
c. Cross-subsidy **to** non-residential customers (page 24 of Guidelines)			-
d. Cross-subsidy **to** large connections in unmetered supplies (page 26 of Guidelines)			-
28. Developer charges			
a. Has council completed a water supply Development Servicing** Plan?	Yes		
b. Total cross-subsidy in water supply developer charges for 2009/10 (page 47 of Guidelines)			-
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
29. Disclosure of cross-subsidies			
Total of cross-subsidies (27b +27c + 27d + 28b)			-

* Councils which have not yet implemented best practice water supply pricing should disclose cross-subsidies in items 27b, 27c and 27d above. Council substantially complies with best practice usage charges. However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice pricing and is phasing in such pricing over a period of 3 years.

Eurobodalla Shire Council

Special Schedule No. 4 - Water Supply Balance Sheet

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
as at 30 June 2010

$'000		Actuals Current	Actuals Non Current	Actuals Total
	ASSETS			
30.	**Cash and investments**			
	a. Developer charges	1,786	-	**1,786**
	b. Special purpose grants	-	-	**-**
	c. Accrued leave	-	-	**-**
	d. Unexpended loans	-	-	**-**
	e. Sinking fund	171	-	**171**
	f. Other	1,374	-	**1,374**
31.	**Receivables**			
	a. Specific purpose grants	-	-	**-**
	b. Rates and charges	-	-	**-**
	c. Other	1,852	-	**1,852**
32.	**Inventories**	64	-	**64**
33.	**Property, plant and equipment**			
	a. System assets	-	191,641	**191,641**
	b. Plant and equipment	-	6,749	**6,749**
34.	**Other assets**	9	-	**9**
35.	**Total assets**	**5,256**	**198,390**	**203,646**
	LIABILITIES			
36.	**Bank overdraft**	-	-	**-**
37.	**Creditors**	13	-	**13**
38.	**Borrowings**			
	a. Loans	393	7,174	**7,567**
	b. Advances	-	-	**-**
	c. Finance leases	-	-	**-**
39.	**Provisions**			
	a. Tax equivalents	-	-	**-**
	b. Dividend	-	-	**-**
	c. Other	-	-	**-**
40.	**Total liabilities**	**406**	**7,174**	**7,580**
41.	**NET ASSETS COMMITTED**	**4,850**	**191,216**	**196,066**
	EQUITY			
42.	Accumulated surplus			**141,494**
43	Asset revaluation reserve			**54,572**
44.	**TOTAL EQUITY**			**196,066**
	Note to system assets:			
45.	**Current replacement cost** of system assets			273,123
46.	Accumulated **current cost** depreciation of system assets			(81,482)
47.	Written down **current cost** of system assets			**191,641**

Eurobodalla Shire Council

Special Schedule No. 5 - Sewerage Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2010

$'000		Actuals 2010	Actuals 2009
A	**Expenses and Income**		
	Expenses		
1.	**Management expenses**		
	a. Administration	2,913	2,765
	b. Engineering and Supervision	-	-
2.	**Operation and Maintenance expenses**		
	- Mains		
	a. Operation expenses	797	723
	b. Maintenance expenses	241	257
	- Pumping Stations		
	c. Operation expenses (excluding energy costs)	999	1,007
	d. Energy costs	300	266
	e. Maintenance expenses	433	422
	- Treatment		
	f. Operation expenses (excl. chemical, energy, effluent & biosolids management costs)	1,369	1,417
	g. Chemical costs	190	260
	h. Energy costs	314	281
	i. Effluent Management	-	-
	j. Biosolids Management	-	-
	k. Maintenance expenses	248	295
	- Other		
	l. Operation expenses	71	113
	m. Maintenance expenses	4	-
3.	**Depreciation expenses**		
	a. System assets	3,949	3,824
	b. Plant and equipment	45	44
4.	**Miscellaneous expenses**		
	a. Interest expenses	822	756
	b. Revaluation Decrements	-	109
	c. Other expenses	-	-
	d. Tax Equivalents Dividends (actually paid)	40	40
5.	**Total expenses**	**12,735**	**12,579**

Eurobodalla Shire Council

Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2010

$'000		Actuals 2010	Actuals 2009
	Income		
6.	**Residential charges** (including rates)	11,849	11,038
7.	**Non-residential charges**		
	a. Access (including rates)	935	785
	b. Usage charges	177	-
8.	**Trade Waste Charges**		
	a. Annual Fees	31	30
	b. Usage charges	116	118
	c. Excess mass charges	-	-
	d. Re-inspection fees	-	-
9.	**Extra charges**	-	-
10.	**Interest income**	2,997	264
11.	**Other income**	63	82
12.	**Grants**		
	a. Grants for acquisition of assets	-	3,320
	b. Grants for pensioner rebates	186	182
	c. Other grants	-	-
13.	**Contributions**		
	a. Developer charges	1,151	619
	b. Developer provided assets	437	502
	c. Other contributions	3	145
14.	**Total income**	**17,945**	**17,085**
15.	**Gain or loss on disposal of assets**	(146)	(495)
16.	**Operating Result**	**5,064**	**4,011**
16a.	**Operating Result (less grants for acquisition of assets)**	5,064	691

Eurobodalla Shire Council

Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
for the financial year ended 30 June 2010

$'000		Actuals 2010	Actuals 2009
B	**Capital transactions**		
	Non-operating expenditures		
17.	**Acquisition of Fixed Assets**		
	a. Subsidised scheme	518	450
	b. Other new system assets	5,051	2,606
	c. Renewals	715	903
	d. Plant and equipment	75	60
18.	**Repayment of debt**		
	a. Loans	2,988	1,894
	b. Advances	-	-
	c. Finance leases	-	-
19.	**Transfer to sinking fund**	-	-
20.	**Totals**	**9,347**	**5,913**
	Non-operating funds employed		
21.	**Proceeds from disposal of assets**	-	-
22.	**Borrowing utilised**		
	a. Loans	-	1,768
	b. Advances	-	-
	c. Finance leases	-	-
23.	**Transfer from sinking fund**	-	-
24.	**Totals**	**-**	**1,768**
C	**Rates and charges**		
25.	**Number of assessments**		
	a. Residential (occupied)	16,408	16,338
	b. Residential (unoccupied, ie. vacant lot)	1,426	1,420
	c. Non-residential (occupied)	877	875
	d. Non-residential (unoccupied, ie. vacant lot)	81	80
26.	**Number of ETs for which developer charges were received**	133 ET	76 ET
27.	**Total amount of pensioner rebates (actual dollars)**	$ 186,000	$ 332,000

Eurobodalla Shire Council

Special Schedule No. 5 - Sewerage Cross Subsidies
for the financial year ended 30 June 2010

$'000	Yes	No	Amount
D Best practice annual charges and developer charges*			
28. Annual charges			
a. Does Council have best-practice sewerage annual charges, usage charges and trade waste fees & charges*?	Yes		
If Yes, go to 29a. If No, please report if council has removed **land value** from access charges (ie rates)?			
NB. Such charges for both residential customers and non-residential customers comply with section 4.2 & 4.3 of the Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
b. Cross-subsidy **to** non-residential customers (page 45 of Guidelines)			
c. Cross-subsidy **to** trade waste discharges (page 46 of Guidelines)			
29. Developer charges			
a. Has council completed a sewerage Development Servicing** Plan?	Yes		
b. Total cross-subsidy in sewerage developer charges for 2009/10 (page 47 of Guidelines)			-
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
30. Disclosure of cross-subsidies			
Total of cross-subsidies (28b + 28c + 29b)			-

* Councils which have not yet implemented best practice sewer pricing & liquid waste prising should disclose cross-subsidies in items 28b and 28c above.

However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice sewerage and liquid waste pricing and is phasing in such pricing over a period of 3 years.

Eurobodalla Shire Council

Special Schedule No. 6 - Sewerage Balance Sheet

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.
as at 30 June 2010

$'000		Actuals Current	Actuals Non Current	Actuals Total
	ASSETS			
31.	**Cash and investments**			
	a. Developer charges	1,776	-	**1,776**
	b. Special purpose grants	2,921	-	**2,921**
	c. Accrued leave	-	-	**-**
	d. Unexpended loans	8,740	-	**8,740**
	e. Sinking fund	-	-	**-**
	f. Other	3,155	-	**3,155**
32.	**Receivables**			
	a. Specific purpose grants	-	-	**-**
	b. Rates and charges	-	-	**-**
	c. Other	51	-	**51**
33.	**Inventories**	-	-	**-**
34.	**Property, plant and equipment**			
	a. System assets	-	167,833	**167,833**
	b. Plant and equipment	-	1,982	**1,982**
35.	**Other assets**	-	-	**-**
36.	**Total Assets**	**16,643**	**169,815**	**186,458**
	LIABILITIES			
37.	**Bank overdraft**	-	-	**-**
38.	**Creditors**	38	-	**38**
39.	**Borrowings**			
	a. Loans	2,200	15,647	**17,847**
	b. Advances	-	-	**-**
	c. Finance leases	-	-	**-**
40.	**Provisions**			
	a. Tax equivalents	-	-	**-**
	b. Dividend	-	-	**-**
	c. Other	-	-	**-**
41.	**Total Liabilities**	**2,238**	**15,647**	**17,885**
42.	**NET ASSETS COMMITTED**	**14,405**	**154,168**	**168,573**
	EQUITY			
42.	Accumulated surplus			**103,493**
44.	Asset revaluation reserve			**65,080**
45.	**TOTAL EQUITY**			**168,573**
	Note to system assets:			
46.	**Current replacement cost** of system assets			268,929
47.	Accumulated **current cost** depreciation of system assets			(101,096)
48.	Written down **current cost** of system assets			**167,833**

Eurobodalla Shire Council

Notes to Special Schedule No.'s 3 & 5
for the financial year ended 30 June 2010

Administration [1]
(item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.
- Meter reading.
- Bad and doubtful debts.
- Other administrative/corporate support services.

Engineering and supervision [1]
(item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.
- Other technical and supervision staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.

Operational expenses (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

Maintenance expenses (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

Other expenses (item 4c of Special Schedules 3 and 5) includes all expenses not recorded elsewhere.

Revaluation decrements (item 4b of Special Schedules 3 and 5) is to be used when I,PP&E decreases in FV.

Residential charges [2] (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a Access Charges (including rates if applicable) and 6b Usage Charges.

Non-residential charges [2] (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a Access Charges (including rates if applicable) and 7b Usage Charges.

Trade waste charges (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a Annual Fees, 8b Usage Charges and 8c Excess Mass Charges and 8d Re-inspection Fees.

Other income (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

Other contributions (items 12c and 13c of Special Schedules 3 and 5 respectively) include capital contributions for water supply or sewerage services received by Council under Section 565 of the Local Government Act.

Notes:

[1] Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. in item 16 for water supply and item 17 for sewerage, and **not** in items 1a and 1b).

[2] To enable accurate reporting of **residential revenue from usage charges**, it is essential for councils to accurately separate their residential (item 6) charges and non-residential (item 7) charges.

Special Schedule No. 7 - Condition of Public Works

as at 30 June 2010

$'000

Asset Class	Asset Category (as determined by Council)	Depn Rate %	Depn Expense	Cost	Valuation	Accumulated Depreciation	WDV	Asset Condition (also refer details attached)	Estimated cost to bring to a satisfactory standard (1)	Required Annual Maintenance Expense (2)	Current Annual Maintenance (3)
		Per Note 1	Per Note 4	<<<<<<<<<<<< Per Note 9 >>>>>>>>>>>>>				<<<<<<<<<<<<<<<< Per Section 428 (2d) >>>>>>>>>>>>>>>>>>>			
Public Buildings & structures	Administration	1.00% to 20%	674	91	29,774	9,255	20,611	90% satisfactory	893	416	129
	Operational	1.00% to 20%	340	6,010	16,244	5,828	16,426	90% satisfactory	487	212	195
	Bush Fire Facilities	1.00% to 20%	78	21	6,513	2,474	4,059	90% satisfactory	195	98	26
	Public Halls	1.00% to 20%	219	15	10,276	3,419	6,872	90% satisfactory	308	158	30
	Community Centres	1.00% to 20%	31	0	2,657	492	2,165	90% satisfactory	80	39	20
	Sporting Facilities	1.00% to 20%	501	5,573	19,182	7,632	17,122	90% satisfactory	575	314	142
	Swimming Pool Centres	1.00% to 20%	52	3,019	326	1,950	1,395	70% satisfactory	15	67	85
	Public Toilets	1.00% to 20%	121	0	5,851	2,321	3,530	90% satisfactory	176	94	123
	Parks and Reserves	1.00% to 20%	258	5,072	5,035	2,777	7,329	90% satisfactory	151	70	315
	Caravan Parks/Camp Grounds	1.00% to 20%	356	6,805	7,813	1,697	12,921	90% satisfactory	234	213	50
	Bus Shelters	1.00% to 20%	30		603	161	442	90% satisfactory	18	6	8
	Other Structures	1.00% to 20%	2	53		25	28	90% satisfactory	-	1	4
	Sub Total		**2,662**	**26,659**	**104,274**	**38,032**	**92,901**	**88% Satisfactory**	**3,133**	**1,689**	**1,127**

Eurobodalla Shire Council

Special Schedule No. 7 - Condition of Public Works

as at 30 June 2010

$'000

Asset Class	Asset Category (as determined by Council)	Depn Rate %	Depn Expense	Cost	Valuation	Accumulated Depreciation	WDV	Asset Condition (also refer details attached)	Estimated cost to bring to a satisfactory standard (1)	Required Annual Maintenance Expense (2)	Current Annual Maintenance (3)
		Per Note 1	Per Note 4	<<<<<<<<<<<< Per Note 9 >>>>>>>>>>>>>				<<<<<<<<<<<<<<<< Per Section 428 (2d) >>>>>>>>>>>>>>>>>>>			
Public roads	Sealed Roads Structure Urban	1.43% to 3.33%	584		98,208	20,537	77,670	Roads without kerb and gutter considered unsatisfactory ($47.2M to bring to standard) and to bring segments of road in poor condition up to standard (another $1.7M) with 98% of remaining roads satisfactory	48,938	574	263
	Sealed Roads Structure Rural	1.43% to 3.33%	352		66,960	4,009	62,951	99% satisfactory	208	464	135
	Sealed Roads Structure Regional	1.43% to 3.33%	105		23,858	2,980	20,878	98% satisfactory.	520	131	79
	Sealed Roads Surface Urban	5% to 10%	202		26,181	10,365	15,816	99% satisfactory	821	2,241	1,491
	Sealed Roads Surface Rural	5% to 10%	104		10,915	3,975	6,940	99% satisfactory	19	907	768
	Sealed Roads Surface Regional	5% to 10%	34		4,613	1,844	2,769	99% satisfactory.	14	566	447
	Sealed Roads Sub total		**1,381**	**0**	**230,735**	**43,710**	**187,026**		**50,521**	**4,882**	**3,183**
	Unsealed Roads	1% to 10%	612		70,095	5,053	65,042	60% satisfactory	5,885	581	1,283
	Carparks	1% to 10%	29		14,091	4,559	9,533	91% Satisfactory	969	268	113
	Footpaths	1.33%	120		17,791	3,499	14,293	95% satisfactory	329	99	110
	Cycleways	1.33%	48		10,590	1,170	9,420	98% Satisfactory	180	54	50
	Kerb & Gutter	1.33% to 3.33%	421		25,529	8,546	16,983	Satisfactory	Note 4	Note 4	Note 4
	Road Furniture	1% to 10%	24		94,478	55,639	38,838	Not yet assessed	260	35	300
	Drainage roads	1% to 5%	60		12,206	4,100	8,105	80-85% satisfactory, 10-15% poor and 5% very poor.	800	60	65
	Sub Total		**2,695**	**0**	**475,515**	**126,276**	**349,239**	**62% Satisfactory**	**58,944**	**5,979**	**5,104**

Eurobodalla Shire Council

Special Schedule No. 7 - Condition of Public Works

as at 30 June 2010

$'000

Asset Class	Asset Category (as determined by Council)	Depn Rate %	Depn Expense	Cost	Valuation	Accumulated Depreciation	WDV	Asset Condition (also refer details attached)	Estimated cost to bring to a satisfactory standard [1]	Required Annual Maintenance Expense [2]	Current Annual Maintenance [3]
		Per Note 1	Per Note 4	<<<<<<<<<<<< Per Note 9 >>>>>>>>>>>>>				<<<<<<<<<<<<<<<< Per Section 428 (2d) >>>>>>>>>>>>>>>>>>>			
Bridges	Bridges - Timber	2.5% to 10%	98		6,312	1,940	4,372	58% satisfactory	700	78	191
	Bridges - Concrete	1.0%	134		11,865	3,921	7,944	92% satisfactory	423	22	11
	Culverts	1.43%	17		16,080	5,374	10,706	100% satisfactory	0	22	11
	Sub Total		**249**	**0**	**34,258**	**11,235**	**23,023**	**84% satisfactory**	**1,123**	**122**	**213**
	* The depreciation rate for timber bridges will be reviewed to better reflect asset life once data is separated and following the next asset revaluation.										
Waterway	Boat Ramps	2.00%	19	1,215		365	850	16% good, 68% satisfactory, 16% poor	300	24	15
	Wharves	2.5% to 10%	2	92		69	23	67% good, 33% satisfactory, 0% poor (also 1 Closed)	220	41	5
	Jetties	2.5% to 10%	22	1,234		777	457	25% good, 75% satisfactory, 0% poor	55	21	33
	Pontoons	2.5% to 10%	4	134		25	110	Satisfactory	0	0	2
	Rock Walls	1%	48	4,864		1,434	3,430	Satisfactory	0	30	0
	Sub Total		**95**	**7,540**	**0**	**2,670**	**4,870**	**94% Satisfactory**	**575**	**116**	**55**
Water	Reservoirs	1%-4%	356		32,898	9,576	23,322	99% satisfactory condition.	12	164	89
	Dams	1.00%	180		22,432	5,420	17,012	Satisfactory condition.	-	18	13
	Telemetry	4%-10%	57		601	327	274	94% satisfactory condition.	73	123	
	Pipeline	1.25%-4%	1,795		193,803	58,900	134,903	96% satisfactory condition.	8,549	964	738
	Pump Stations	4%-10%	107		4,112	3,032	1,080	56% satisfactory condition.	1,996	127	165
	Sub Total		**2,495**		**253,846**	**77,256**	**176,590**	**93% Satisfactory**	**10,630**	**1,397**	**1,005**

Eurobodalla Shire Council

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as at 30 June 2010

$'000

Asset Class	Asset Category (as determined by Council)	Depn Rate %	Depn Expense	Cost	Valuation	Accumulated Depreciation	WDV	Asset Condition (also refer details attached)	Estimated cost to bring to a satisfactory standard (1)	Required Annual Maintenance Expense (2)	Current Annual Maintenance (3)
		Per Note 1	Per Note 4	<<<<<<<<<<<< Per Note 9 >>>>>>>>>>>>>				<<<<<<<<<<<<<<<< Per Section 428 (2d) >>>>>>>>>>>>>>>>>>>			
Sewerage	Pump Stations	4%-10%	679		38,358	14,877	23,481	90% satisfactory condition.	3,850	607	437
	Pipeline	1.25%-4%	1,314		105,363	29,964	75,399	95% satisfactory condition.	531	531	241
	Treatment Works	4%-10%	1,750		107,572	53,178	54,394	Satisfactory condition.	-	287	248
	Telemetry	4%-10%	87		1,449	999	451	75% satisfactory condition.	700	151	0
	Sub Total		**3,829**		**252,742**	**99,018**	**153,724**	**96% Satisfactory**	**5,081**	**1,576**	**926**
Drainage	Drainage works	1% to 5%	503		80,241	26,525	53,716	80-85% satisfactory, 10-15% poor and 5% very poor.	400	401	262
	Sub Total		**503**	**-**	**80,241**	**26,525**	**53,716**	**80-85% satisfactory, 10-15% poor and 5% very poor.**	**400**	**401**	**262**
Waste Assets	Landfill Assets	1% to 70%	192	2,413		927	1,486	Satisfactory	20	1,060	966
	Recycling Assets	10% to 20%	2	160		97	63	Satisfactory	110	233	-
	Sub Total		**194**	**2,573**	**-**	**1,023**	**1,550**	**95% Satisfactory**	**130**	**1,293**	**966**
Total - Classes	**Total - All Assets**		**12,723**	**36,772**	**1,200,875**	**382,034**	**855,613**		**80,017**	**12,572**	**9,658**

Notes:

(1). Satisfactory refers to estimated cost to bring the asset to a satisfactory condition as deemed by Council. It does not include any planned enhancements to the existing asset.

(2). Required Annual Maintenance is what should be spent to maintain assets in a satisfactory standard.

(3). Current Annual Maintenance is what has been spent in the current year to maintain assets.

(4). Kerb and Gutter estimates are included within roads estimates above.

Eurobodalla Shire Council

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as at 30 June 2010

Commentary

Overview

Council is the manager of significant assets. It manages infrastructure assets worth $1,201 million (written down value $856 million) on behalf of the community or government. With this comes a responsibility to not only ensure that these assets function adequately, but that they are sustainable.

In accordance with State Government directions, Council is undertaking a program of revaluations. Councils' water, sewer and building assets were revalued in 2007/08, whilst during the past year Council revalued its transport (includes roads, bridges, paths, kerb and gutter) and stormwater assets. Over the coming 12 months, Council's waterway infrastructure, parks and reserves infrastructure and residual structures will be revalued.

To ensure that all relevant matters have been considered when decisions are made with respect to new assets, Council has adopted what is known as Triple Bottom Line principles. In this, the financial, environmental and social aspects of any decisions must be considered. This integrated approached has been defined as creating "linkages between levels of service, asset condition, asset replacement and budgetary provisions."

This is true for not only new works but also management of existing assets. To this end, Council has embarked on such initiatives as the Integrated Water Cycle Management Strategy and the development of a number of Asset Management Plans.

It is widely recognised that the management of assets is no longer just undertaking repairs when needed. It has been shown that adequate allowance must be made for the eventual renewal of items, whether they are buildings, roads or other assets; the undertaking of intervention strategies when most opportune from a financial and length of service perspective; and the identification of acceptable levels of service that the assets will be kept at.

Each year, the Management Plan examines and determines priorities for works and funding to replace, improve or expand the infrastructure network, or the condition & serviceability of those assets over the coming five-year period. To ensure adequate levels of service for the community, annual maintenance programs are directed towards retaining the current levels of serviceability.

To undertake these responsibilities, Council has commenced the process of developing a Total Asset Management System.

To ensure a standardised approach to this, consistent with the majority of Councils across Australia, Council has implemented the procedures in the International Asset Management Manual, as developed by the Institute of Public Works Engineering (Australia). This entails the development of an Asset Management Plan, which identifies the assets involved, the level of service that the asset will be maintained at, and the cost of the asset for its whole life. The Asset Management Plan includes a long-term program for replacement, on-going maintenance and provision of additional assets required to cater for the anticipated growth of the Shire.

The asset areas identified for development of Asset Management Plans are:

- Transport (includes roads, bridges, carparks, bus shelters, etc)
- Stormwater
- Water & Sewer Transport
- Water & Sewer Treatment
- Buildings
- Parks and Recreation; and
- Marine Structures

These plans will be supplemented by strategic plans and priority lists which will identify new assets to be provided and which assets should be upgraded to provide an increased level of service.

To assist in the monitoring of our assets, Council uses a series of programs and databases to record assets and monitor their condition.

Across the asset classes, Council employs priority pointscore systems which are composed of factors such as traffic volumes, pressure loads, development demand, physical condition & age of the asset, vulnerability to flooding, environment or drainage problems, complaint, safety or failure record; and its importance in the network hierarchy.

To assist with parity across the different classes of assets, Council is instigating a common hierarchical system. This system identifies assets according to their function – ranging from local to regional. For each hierarchy, a level of service is being determined that is to be applied to the asset.

The following pages set out the range of assets that Council is responsible for, the current level of service, what it is calculated to bring the assets to a satisfactory level of service, and what it is calculated to cost to maintain those assets at the desired level of service.

Eurobodalla Shire Council

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Commentary (continued)

Buildings /Structures

As a provider of community services, Council is responsible for the provision of a wide range of community and operational facilities including public halls, public amenities, and sporting facilities. As well, Council has invested in a range of facilities to enable it undertake the services expected of Council.

Whilst Council is responsible for the assets, it has delegated some maintenance responsibilities to Council Management Committees, the Rural Fire Service or private sector under leasing arrangements.

As with other Council assets, to better manage the asset network a Buildings Asset Management Plan will be prepared. This will identify a program of works required to most effectively manage the network and the financial costs to manage that program.

Data

Council has under its care and control 590 buildings or structures, categorised into twelve different types of assets. Recent valuations indicate that these have an estimated replacement value of $104.3 million.

The buildings and facilities that Council is responsible for includes:

Administration	Civic Administration Building, 3 libraries, 2 visitor centres, 3 After-school centres
Operational	3 works depots; buildings & structures at 13 water pump stations, 5 sewer treatment plants, 7 sewer pump stations and 3 waste complexes; 8 cemeteries; Moruya Saleyards; Moruya Pound; Moruya Airport; 2 SES centres, 2 Coastal Patrol centres, 1 VRA centre.
Bushfire Facilities	23 bushfire stations (some with multiple buildings); Control Centre; Training Facility
Public Halls	12 public halls
Community centres	2 community centres
Sporting Facilities	- 2 Sporting complexes with amenities/meeting rooms/etc; - Moruya Racecourse; Moruya Showground - Active sporting facilities including tennis courts, basketball stadium, skate parks - 4 Surf Lifesaving club buildings
Swimming Pool Centres	3 aquatic centres
Public Toilets	68 toilet blocks not associated with other facilities 25 toilets incorporated into another building
Parks & Reserves	Recreational reserve facilities such as Botanic Gardens, Water Gardens, parks, playgrounds. Included in these are structures and facilities such as shelters, barbeques, tracks, platforms
Caravan Parks /Camp Grounds	1 Caravan park, 3 Camping grounds
Bus shelters	56 bus shelters
Other Structures	Buildings at a number of gravel pits

The management of Council's dams, reservoirs and wastewater facilities, are reported separately. This section only considers the building components of these facilities. Bus shelters are considered part of the transport network and are included within that reporting area.

Significant Works

Council has invested significantly in the past year in community-based buildings. Included in the works undertaken were the:

- Completion of refurbishment of the toilet block at Evans St, Tuross Head and the facility at North Head Camping ground
- Completion of extension of Narooma Community Centre to provide facilities for Eurobodalla Meals On Wheels
- Provision of new bus shelters at Surf Beach Ave, Anderson Ave and replacement of a damaged shelter on George Bass Dr at Malua Bay
- Commencement of the replacement of Mogo Rural Fire Service Building and Tilba Rural Fire Service Building
- Continued refurbishment of the Civic Administration Building at Moruya

Condition at 30/06/10

To ensure appropriate management of our buildings and related assets, Council has determined that inspections for Council facilities are undertaken on a five-year cycle. A program has been instigated and in excess of 150 buildings have been assessed to date.

External and internal condition ratings for buildings and structures are site determined and recorded. For each building, the following rating is applied:

Table 1: BUILDING CONDITION RATING

Rating		Description
1	Very Good	Well above standard
2	Good	Above standard
3	Average	Maintenance required to 10-20% of structure
4	Poor	Minimum standard – requires major renewal to 20-40% of structure
5	Very Poor	Unacceptable standard - unserviceable with over 50% of asset requiring replacement

Eurobodalla Shire Council

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as at 30 June 2010

Commentary (continued)

As inspections are continuing, full condition ratings are not available at this stage.

Due to the significant difference in condition rating between the aquatic centres and Council's other assets, these have been considered separately.

The aquatic centres have had their components assessed individually. It has been determined that 70% of the structures at the aquatic centres are of a satisfactory condition.

For the remainder of the assets, it is assumed that 90% of the buildings/structures are at Condition Grade 3 or above and do not require major expenditure to bring to the required standard. It is assumed that the remaining 10% of assets are at Grade 4.

A number of buildings and facilities are currently unable to be used. The Kyla Park Community Hall has had significant structural defects noted and is currently closed. As a result of the severe storm event in March 2010, the old Fire Shed at Dalmeny was flooded with overflowing sewerage and has been closed since. Repairs are being undertaken to enable its reopening in the later part of 2010.

Estimated cost to bring to satisfactory standard
To determine the cost to bring a building to satisfactory standard a factor can be applied to the replacement value of the building/structure depending upon its condition rating.

The estimate to bring to satisfactory standard is calculated as follows:
Condition Rating 4 – 30% of Replacement Value
Condition Rating 5 – 50% of Replacement Value

It is recognised that this remains an estimate and assessments that are more accurate will be made in the future when all buildings have been assessed.

Based on the above formulae, it is estimated that the total cost to bring those unsatisfactory assets to a satisfactory standard is $3.1 million.

Estimate of cost to maintain at that standard
In order to determine the cost to maintain the buildings/structures to desirable standards, a formula has been applied based upon the replacement value and a scaled factor depending upon age.

Table 2: Factors used to determine building maintenance

Value	Age of building	% of valuation to maintain Standard
1	1 to 10	1
2	10 to 30 years old	1.5
3	over 30 years old	2.0

It is recognised that this remains an estimate and that more accurate assessments will be made in the future. The estimate to maintain Council's assets at satisfactory standard is $1.7 million pa.

Estimate Annual Capital Renewals / Replacements
On the basis that no allowance has been made for replacement of buildings and structures, the funds required from the current year onwards to enable the replacement of assets when they are no longer serviceable has been determined by dividing the replacement value by the average remaining life of the structure. This provides the annual figure required for capital renewals and replacements to keep the buildings/structures at a satisfactory standard. It is estimated that $4.2 million is required each year for renewal/replacement of assets.

With the adoption of an Asset Management plan, the life cycle costs for the assets will be determined more accurately.

Renewals / Maintenance Program 2009/10
Council expenditure on maintenance on buildings and other structures for the past year was $1,127,000. Council also spent $1,239,000 on renewals and replacements for the year.

The figures shown may not include maintenance carried out by external parties such as the Rural Fire Service and independent organisations in the case of leased facilities.

Eurobodalla Shire Council

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Commentary (continued)

Transport Assets

Roads
Roads are an integral component of the Shire's transport network.

Council is the primary provider of roads throughout the Shire. These range from roads that serve individual properties (classified as local roads) to arterial or distributor roads that provide linkages between communities and main centres. The majority of these roads are within urban areas and sealed. As well as these Council assets, the Princes Highway and Kings Highway also run through the Shire. Both of these are the responsibility of the NSW Government through the NSW Roads and Traffic Authority.

Typically, Council designs its roads for a life of 50 years. With the significant growth of the Shire in the 1960's, there was a corresponding increase in the amount of road assets becoming the responsibility of Council. These are now approaching the end of their design life and therefore creating new challenges for Council. To assist in the satisfactory management of road assets, recent developments have been encouraged to provide private roads where there is little public use.

To better manage the network, in a co-ordinated and planned way, Council has prepared a Transport Asset Management Plan. Currently in draft form, the Plan will identify a program of works required to effectively manage the network and the financial costs to manage that program.

A key component of this work was an overhaul of our road asset database. A revised database has been developed, based on more accurate segment data.

As well, Council was required to revalue its road assets in accordance with fair-value concepts. This is the determination of what it would cost to construct the transport network from new, to determine what condition the network is in and reduce the value of the network to reflect the reduced life and condition.

A major component of this process was the development of accurate, local construction rates and rehabilitation rates. This enabled more realistic costs to be used than has historically been used in reporting. For example resealing rates rose from $2.50 to $3.75 to ensure that on-costs and ancillary costs were included rather than the contract rates used previously whilst rehabilitation rates rose to $50.50 per m^2 from the previously used $30.00 per m^2.

It is estimated that Council's transport assets have a total replacement cost of $463.3M and a current value of $341.1M.

Local Roads

Data

Council has under its care and control some 588 km of sealed road and 430 km of unsealed road. These currently have a written down value of $228.4M.

Since 1996, the area of unsealed local road has decreased by 564,881 sq.m, due to upgrading and dust sealing. In addition to this increase in the length of sealed road Council is responsible for, there has been significant development of the urban areas, resulting in an overall increase in the amount of road assets. In the intervening years, the total area of sealed road that Council is responsible for has increased by 682,015 sq m.

During the year, Council acquired 3.4 km of new road through subdivision and other development.

Pressures

It is recognised that not all of the roads in the Shire are at the standard that Council and the community would desire. In particular, there are a significant number of road sections that were constructed during the 1960's that are below currently accepted standard. To address this issue, Council has embarked on a policy of reconstructing urban roads based on an adopted pointscore system. This system asses roads and prioritises them based on issues such as traffic volumes, road safety, current width, etc.

Further sections of rural roads exist with houses adjacent to unsealed sections.

Whilst there has been a noticeable increase in the amount of road constructed within the last 10 years, a significant portion of our network still exists that was constructed in the 1960's when significant growth in the Shire occurred. These are now reaching the end of their design life and are therefore causing increasing demand on Council.

Despite a concerted indentation into the backlog of roads requiring upgrading being made in recent years, there is still some 8% of urban road edges without kerb and gutter and 10km (or 3%) of urban roads unsealed.

Significant Works

During the year, Council undertook the following projects:

- Completion of the reconstruction of Batemans Bay foreshore including the rehabilitation of Clyde Street
- Installation of pedestrian facilities on the "Flat" at Narooma
- Traffic study for the northern sector of the Shire
- Reconstruction of Dorothy Drive, Narooma; Jutland Parade, Tuross Head; and Dominic Drive, Batehaven
- Reconstruction/upgrading of sections of Tilba-Punkally Rd

Eurobodalla Shire Council

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as at 30 June 2010

Commentary (continued)

- Upgrading of Moruya CBD carparking
- Commenced reconstruction/widening of North Head Drive at Quarry Wharf
- Extensions of the South Head, Broulee, and Tuross Shared Paths
- Resealed 41.3 km of sealed roads
- Resheeted 20.3 km of gravel roads

In an effort to expedite the sealing of the unsealed roads it is Council's practice to undertake low-cost dust sealing of identified roads. During 2009/10, 520m of dust seals were undertaken. These dust seals have a life expectancy of five to ten years, and will provide welcome relief to residents and users.

Council continues to apply approximately $300,000 pa from the Roads to Recovery funding to the reconstruction or resealing of local roads to accelerate the rate of works each year.

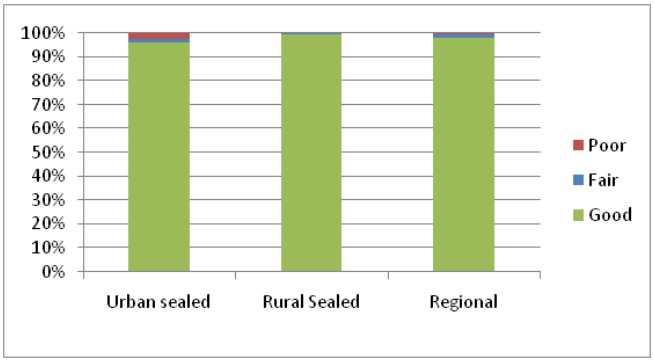
Condition at 30/06/10

Based on accepted service level of having urban roads sealed and fully kerb & guttered, it has been determined that 11% of roads in urban areas are below an acceptable construction standard whilst a further 10.7km are unsealed.

To assist in the management of Council's sealed road network, Council has installed a Pavement Management System that utilises a condition survey that was undertaken in 2007 and uses an industry accepted model to determine the deterioration of the network. This system identified that 96% of our sealed road network can be classified as good, with only 2% as poor.

To ensure adequate knowledge of the rate of any change in the condition of our roads, it was proposed in 1996 that condition surveys would be undertaken every 5 years. Unfortunately, constraints have not allowed further detailed surveys to occur on a regular basis. A partial assessment was undertaken in 2004 when the roughness of a sample of the road network was determined using a vehicle based recording system. A broader assessment of Council's sealed network was undertaken during 2007/08, using a vehicle based laser system. The information from this survey was entered into Council's Pavement Management System to obtain an overall condition rating of the sealed network.

Fig 1: Sealed Road Condition Profile



In respect of the unsealed network no surveys were undertaken, rather the percentages in each category were assumed based on corporate knowledge and earlier data collection projects.

Estimated Cost to bring to satisfactory standard (Current $)

Urban sealed local roads.

It has been assumed that, generally, urban roads need to have kerb and gutter or edge strip before they can be considered to be in satisfactory condition. This assumption has however not been applied where it is expected that development in the road will pay for the installation of the kerb and gutter, or where the level of development in the road will never warrant such an improvement.

For the 98.5km of the urban road network that does not have full kerb and guttering and have been identified as requiring "upgrading", it has been calculated the cost of upgrading these roads will be in the order of $97.8 million. Of these roads, 48.7km of road sections have been identified as being the responsibility of Council, not the subject of other developments and requiring kerb and gutter. It is estimated that it will cost $48.0M to upgrade these sections of road.

For the remainder of the urban sealed network it has been assumed that resealing and remedial work, at a cost of $3.75 and $50.50 per m^2 respectively, will be required to bring the poor condition roads up to a satisfactory standard.

As can be seen from the above, 12% of the urban sealed network is considered to be in a poor condition, due to lack of kerb and gutter, drainage, pavement width or condition. It is estimated that the cost to improve all of Council's urban sealed road network to a satisfactory standard is $49.8 million.

Rural sealed local roads

Council's PMS has assessed the local rural road system as having 1% of the network in a poor or worse condition.

The work required to bring this 1% up to a satisfactory condition is rehabilitation at a cost of $50.50 per m^2. This work will provide for

Eurobodalla Shire Council

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as at 30 June 2010

Commentary (continued)

pavement strengthening and increased seal width. The cost to achieve a satisfactory road standard is estimated to be $0.22 million.

Unsealed local roads (Urban and Rural)

As can be seen from the above graph, in 1996 some 40% of the unsealed network was assessed as being in poor condition. Significant improvements to the gravel network have been made by implementation of a grading schedule and the application of "Roads to Recovery" funds but it is still considered that due to uncontrolled factors such as weather, etc, this has not changed significantly.

The work required to bring this 40% up to a satisfactory condition is resheeting at a cost of $7.50 per sq. m. requires an expenditure of the order of $5.9 million to achieve.

Estimate of cost to maintain at that standard

Urban sealed local roads.

As identified above, to maintain an urban sealed network in a satisfactory condition it is necessary to reseal it on a regular basis. Industry standards are that resealing should be undertaken every 7-10 years (at a unit rate of $3.75 per m^2).

As well as the annual renewal program, failures of portions of the network occur. It is assumed that 0.5% of the network will fail and need partial replacement at a cost of $50.50 per m^2.

Routine maintenance also needs to be carried out. It has been assumed that the rate per km should be 20% higher than the current actual expenditure, in order to maintain a satisfactory condition. A unit cost of $4,500 per km has been used.

Therefore, the following maintenance funding would be required to maintain the network at a satisfactory standard:

Table 3: Required Maintenance Funding for Urban Sealed roads

Reseals	$ 766,780
Rehabilitation	$ 619,559
Routine maintenance	$ 1,427,985
Total	$ 2,814,324

Rural sealed local roads

To maintain the rural sealed network in a satisfactory condition it is necessary to reseal it every 11 years at a unit rate of $3.75 per m^2. As a road has a design life of 40 years it will also be necessary to provide for renewal at a rate of 2.5% of the network per year at a unit cost of $65.50 per m^2.

As well as the annual renewal program, failures of portions of the network occur. It is assumed that 0.5% of the network will fail and need partial replacement at a cost of $58 per m^2.

Routine maintenance also needs to be carried out. It has been assumed that the rate per km. should be 20% higher than the current actual expenditure, in order to maintain a satisfactory condition. A unit cost of $1,600 per km has been used.

Therefore, the following maintenance funding would be required to maintain a satisfactory standard:

Table 4: Required Maintenance Funding for Rural Sealed roads

Reseals	$ 534,627
Rehabilitation	$ 496,134
Routine maintenance	$ 340,064
Total	$ 1,370,825

Unsealed local roads (Urban and Rural)

To maintain the unsealed road network at a satisfactory level of service, gravel resheeting needs to occur on a regular basis. As this reconstructs the pavement this is considered as a cost to bring to a satisfactory standard.

Routine maintenance, including grading of pavements, needs to be carried out. It has been assumed that the rate per km. should be 20% higher than the current actual expenditure, in order to maintain a satisfactory condition. A unit cost of $1,350 per km has been used.

Therefore maintenance funding of $580,743 per annum should be provided to maintain this standard.

Estimated Annual Capital Renewals / Replacements

Renewals and replacement is where the asset can no longer perform its function and intervention is required to allow it to continue functioning. This renewal work can be triggered by failure but it is preferable that it is initiated by intervention. This renewal is commonly known as rehabilitation. Road pavements are generally designed to perform adequately for 40 years. Therefore, it can be expected that it will need to be renewed after 40 years. On this basis therefore, allowance should be made to renew some 2.5% of the network each year.

To gain the life expectancy of a road, it is necessary to replace the surface coating on a regular basis. This is often done by resealing the existing pavement, which renews the surface coating and provides a new wearing course. This work could be considered renewals, but it is felt that it is more appropriately considered as maintenance as it allows the asset to continue functioning until the pavement structure is no longer capable of carrying out its function.

Analysis of Council's operating costs indicates that rehabilitation of an urban road will be at a unit cost of $50.50 per m^2 whilst for a rural road it is estimated that it will cost $58 per m^2. Based on the overall area of the network, to adequately renew the network Council should be expending $4.0 million per annum on renewal

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of its urban road assets and $2.8 million on its rural sealed network.

To maintain the unsealed network in a satisfactory condition it is necessary to resheet it every 12 years at a unit cost of $7.50 per m^2. Therefore for unsealed roads Council should be spending $1.8 million in resheeting each year.

Renewals / Maintenance Program 2009/10

Refer to the summary table for the actual expenditures for 2009/10.

Regional Roads

Regional roads are those roads funded by the Roads and Traffic Authority (RTA). These roads are considered the most important roads in the Shire after the Highways, which are also funded by the RTA. A higher standard of maintenance and construction is therefore expected.

In urban areas, the central 6.2m of pavement is funded by the RTA whilst in rural areas the full width of the sealed pavement is funded.

Data

Council has 58km of regional road within the Shire. The identified roads are:

- Cullendulla Dr
- Beach Rd/George Bass Drive/North Head Rd
- Hector McWilliam Dr
- Dalmeny Dr, and
- Bermgui Rd

Condition at 30/06/10

As with Council's local roads, a detailed road survey was undertaken during 2007/08. Based on this survey and the deterioration models in the PMS, 98% of our regional roads are considered to be in a good condition, with only 1% identified as being poor.

Estimated Cost to bring to satisfactory standard (Current $)

The work required to bring this 1% up to a satisfactory condition is rehabilitation at a cost of $55.00 per m^2. This work will provide for pavement strengthening and increased seal width in rural areas. This would require an expenditure of $0.5 million.

Estimate of cost to maintain at that standard

To maintain the regional road network in a satisfactory condition it is necessary to reseal it every 7 years at a unit rate of $3.75 per m^2.

As noted for urban roads, some routine failures can be expected. This is allowed for at 0.5% of the network. Rehabilitation is at a rate of $55 per m^2.

Routine maintenance also needs to be carried out. It has been assumed that the current rate per km. of approximately $4,500 is adequate.

Table 6: Required Maintenance Funding for Regional Roads

Reseal	$ 274,172
Rehabilitation	$ 140,742
Routine maintenance	$ 281,970
Total	$ 696,883

Estimated Annual Capital Renewals / Replacements

As noted for other road types, a renewal program should be undertaken to ensure roads are replaced prior to significant failure. As a road has a design life of 40 years it will be necessary to provide for rehabilitation at a rate of 2.5% of the network per year at a unit cost of $65.5 per m^2. This equates to $0.8 million per annum.

Renewals / Maintenance Program 2009/10

Refer to the summary table for the actual expenditures for 2009/10.

Traffic Facilities and Ancillaries

To ensure a functional transport network, not only are roads required to be provided but a significant amount of ancillary assets are also required. These include traffic facilities to guide and control traffic; safety components such as guide posts, warning signs, guardrail, and linemarking; and road drainage

Traffic facilities are integral to the provision of a safe, functioning traffic system. Typical facilities include roundabouts, traffic islands, signage, and linemarking. Whilst, Council is responsible for the installation and maintenance of these, funding is provided by the NSW RTA. Traffic lights are the full responsibility of the RTA

To ensure the continued operation of the road network, drainage is often provided under the road. Typically this is 450mm diameter reinforced concrete pipe.

Street signage is the responsibility of Council and typically consists of metal fingerboard signs on a single pole at the start of the street.

Road safety includes guide posts, guardrail, warning signs, linemarking, etc. It also includes street lighting, though this is provided by Country Energy with Council paying for their operation and maintenance.

Currently, Council has not collected all the data and so estimates have been made on some facilities based on known quantities.

Data

Council has 21 roundabouts, 4 pedestrian refuges, 115 other traffic facilities. It is estimated that Council also has 370km of

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linemarking, 22,500 guideposts, an estimated 4500 signs (parking, warning and street name), and an estimated 16.3km of guardrail. These currently have an estimated replacement value of $38.8 million.

Council also has 1366 minor culverts, determined to have a current replacement value of $13.4 million.

Significant Works

During the year, Council undertook the following projects:

- Installation of pedestrian refuges on the Princes Hwy at "Narooma Flat"
- Undertook repair or modification of 22 terminal ends of guardrail

Condition at 30/06/10

No detailed condition data currently exists. In accordance with Council's risk management Policy, facilities are inspected on a routine basis and maintenance undertaken in accordance with Council's adopted Maintenance Management System (MMS).

For the guardrail, it is estimated that there are still 16 "fishtail" ends requiring replacing or upgrading to reduce the potential impact on road users.

Estimated Cost to bring to satisfactory standard (Current $)

Traffic Facilities

No individual works have been identified as it is presumed that the Maintenance Management System identifies problems with facilities before they become poor.

Signage

It is estimated that 1% of the network is in poor condition. The work required to bring this 1% up to a satisfactory condition is replacement of the signs at an average cost of $200 per sign.

Guardrail

For the network it has been assumed that replacement, at a cost of $220 per m, will be required to bring the poor condition facilities up to a satisfactory standard.

Drainage

For the network it has been assumed that most of the network is satisfactory. To undertake remedial work will involve the replacement of the culvert at a cost of $250 per m.

Estimate of cost to maintain at that standard

As detailed information on the condition of ancillary facilities is not known, it is not possible to identify the appropriate level of maintenance required. Council has implemented a Maintenance Management System that identifies works that are required on a risk basis. Therefore it is assumed that current levels of expenditure are appropriate for now.

Traffic Facilities.

Routine maintenance needs to be undertaken to ensure that the facility operates at the required standard. This includes replacement of signs that are no longer reflective, maintenance of any garden beds, etc.

A unit cost of $500 per facility per annum has been used in making initial assumptions.

Signs

To maintain the signage across the network in a satisfactory condition it is necessary to replace signs when they are faded, damaged or no longer applicable. It is estimated that it will cost $250 to replace a sign.

Drainage

With the limited information at hand, it is only possible to make an estimate on the basis of percentage of the asset value. Assuming the expense of maintaining drainage systems at an acceptable standard to be 0.5% of the total asset value, an annual expenditure of $67,000 would be required to maintain the road drainage assets.

Estimate Annual Capital Renewals / Replacements

Renewals and replacement is where the asset can no longer perform its function and intervention is required to allow it to continue functioning. This renewal work can be triggered by failure but it is preferable that it is initiated by intervention. This renewal is commonly known as rehabilitation.

Linemarking has a limited lifespan due to traffic impacts. Renewal is required on an average of 5 years though replacement is required upon resurfacing of the road.

The major renewals for traffic facilities is the replacement of signage damaged by vehicles

Culverts are expected to have a life expectancy of 100 years but are often replace in conjunction with any upgrading of the road.

Renewals / Maintenance Program 2009/10

Refer to the summary table for the actual expenditures for 2009/10.

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Bridges

Council manages the replacement, renewal and maintenance of 212 major structures within the Shire that are used for crossing waterways and gullies. The maintenance of these bridges and culverts is critical, as they are often the only connection that rural dwellings have with the wider community and services.

As with all assets, the average life of the different components of an asset can vary considerably. This is particularly so for bridges. In the case of timber bridges, the deck often only has a 10-year life; girders are assumed to have a life of 20 years whilst piles are assumed to have a life of 40 years.

The overall assessment of required maintenance / renewal of bridges will by nature vary from year to year, as the assets will be fit for purpose until it is identified that a component is in need of repair or replacement. Some years the level of required work will be quite high and if completed the next 2 years may have very little work required. Over the life of the asset, all of the components of the asset will reach the point of requiring replacement /renewal to ensure that the bridge continues to remain safe for use.

The effective life of concrete components is affected by the proximity to the sea with salt air contributing to a much faster rate of deterioration.

Annual maintenance inspections are conducted for all timber bridges with a detailed condition assessment undertaken every 3 years. For concrete bridges, this assessment is undertaken every 5 years.

To ensure the continued safety of users, Council undertakes a more rigorous maintenance and inspection program for those assets identified as in poor condition. Load restrictions can also be implemented to ensure the continuing safe use of the asset.

Improvements to asset management programs have been undertaken in recent years that have delivered better information about the components of the bridge assets including assessing their life expectancy and load capacity. One outcome of this is the development of a Condition Rating score system for their upgrading or replacement.

Data

As identified above Council is responsible for 212 major assets. Of these 141 are bridges or major culverts on roads. These are detailed in Table 7 following.

Included in the list of assets are 6 concrete bridges located on Regional Roads managed by Council as well as 4 timber bridges that are owned by Council but maintained by others.

For the purposes of this report, only those 6 causeways with no culvert or multiple cells have been included. The other 56 causeways with single cells have been considered as minor culverts and are included in the ancillary component of the value of the roads.

Council is also responsible for 3 boardwalks within the Shire. These are, for the purposes of this report, included with the asset on which they fall, i.e. if in a road reserve they are included in the value of road infrastructure; if within a recreation area or reserve they are included in the value of Buildings & Structures component of this report.

Table 7: Major structures managed and maintained by Council

	Number	Length (m)
Bridges & major culverts		
Concrete		
Urban	*29*	*369.6*
Non-urban	*71*	*891.3*
	100	*1260.9*
Timber		
Urban	*3*	*25.4*
Non-urban	*33*	*825.0*
	36	*850.4*
Other		
Urban	*1*	*15.4*
Non-urban	*4*	*27.5*
	5	*42.9*
Footbridges		
Timber	*2*	*23.2*
Other	*7*	*63.6*
	9	*86.8*
Causeways	*6*	*162*

Significant Works

During 2009/10 Council undertook the following projects:

- Installation of a (pedestrian) bridge at Kianga for the Dalmeny cycleway adjacent to Kianga Bridge
- Replacement of Waterfall Bridge (Runnyford Rd) with a concrete box culvert; Underpass bridge on Eurobodalla Rd; Tally Ho Bridge (Eurobodalla Rd)
- Refurbished Wamban (2) Bridge
- Refurbishment/protection works on Kianga Bridge including installation of cathodic protection works.
- Numerous repairs to bridges damaged due to flood event

Condition at 30/06/10

A detailed assessment of the condition, lifecycle and maintenance costs of bridges was undertaken during 2008/09. This assessment is based on Condition Ratings in accordance with VicRoads methodology. The ratings are determined by a combination of visual assessment and drill testing. Due to the

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significant effort required, the assessment is undertaken for timber bridges every 3 years in conjunction with routine coring.

Council's timber bridge assets are generally older and in poorer condition than the relatively newer concrete structures. The majority of timber bridges are over 40 years old with the residual life remaining in the bridges varying between 5 to 40 years[1].

The main components of bridges that are of poor condition are piles and abutments.

In 2008, two of the 24 concrete bridges were in a poor condition whilst the remaining 22 structures were in fair condition or better.

The condition of the 9 timber beam culverts is considered satisfactory. The remaining concrete culverts are also considered satisfactory.

Allowing for replacements, the following assessment is made:

Table 7: Condition Survey

Condition	Timber Bridges	Concrete Bridges	Other Bridges	Culverts	Total
As New	6	14		65	85
Good	10	7	8		25
Fair	8	3	4	9	24
Poor	14	2			16
Total	38	26	12	74	150
% Satisfactory	64%	92%	100%	100%	89%

Estimated Cost to bring to satisfactory standard (Current $)

Council has determined that a satisfactory standard requires suitable deck levels, widths, structural condition, approaches, and alignments to be in place.

Timber bridges

The estimate to bring the timber bridges up to a satisfactory standard at 30 June 2010 is $700,000. However, Council will need to continue to invest in bridge renewals as it is expected that over the next 25 years another $4.8 million (not including the $700,000) will be required to be invested to ensure timber bridge assets remain at required standards.

In 2005, Council identified that it would be more economical over the life of its bridge assets to replace 14 timber bridges with concrete bridges or box culverts. A program of works was developed for a five-year period to undertake this work at a cost of $4.46 million. If council had decided to replace or repair/renew components in those bridges this would have cost $1.75 million, however the additional $2.7 million investment would allow replacement with concrete structures, which will have a much longer life (80 years on average compared to 30 years on average for timber), and reduced ongoing maintenance requirements.

[1] based on the Department of Local Government Asset Management Guideline Update No. 4 (July 1999)

The replacements would also provide a higher level of service through increased travel comfort and, for the majority of these bridges, improved pavement width or flood mitigation benefit.

Some of these replacement works have been undertaken since then. The remaining bridges identified for replacement are indicated in Table 8 below.

Table 8: Timber Bridges identified for Replacement

Cowdroys	Glen Eden*
Wamban	

* To be upgraded to 2-lane width on replacement.

Concrete Bridges

As identified above, two of Council's 26 concrete bridges are classified as poor or below at the last assessment.

It is estimated that Council will require a total of $423,000 to be spent to bring our concrete bridges to a satisfactory standard. The treatments will include treatment for corrosion of reinforcement in the bridges, bridge deck repairs and silane treatment to protect from chloride ingress.

Council will need to continually invest in bridge renewals/replacements as it is expected that over the next 25 years another $362,000 (not including the $423,000 backlog) will be required to be invested to ensure concrete bridge assets remain at required standards.

Estimate of cost to maintain at that standard

Concrete bridges initially cost more to construct than timber bridges. However, timber bridges cost much more to maintain and will generally require major renewal of components at more regular intervals than for most concrete structures.

Council will also be required to continue to spend on general maintenance (above the amount of capital renewals identified above) in the order $122,000 (concrete $22,000, timber $78,000 and culverts $22,000).

It is anticipated that average annual expenditure for inspection and minor maintenance of bridges will be around $115,000.

Estimate Annual Capital Renewals / Replacements

As already described above, it is estimated that $6.3 million will be required in the next 25 years to renew assets to serviceable standards as various components of the bridges reach the end of their useful life (see Chart 2). This is made up of $5.5 million on timber bridges and $785,000 on concrete bridges.

Chart 2 illustrates the 'expected' levels of investment required over the life of existing bridges that was calculated in 2008. The anticipated level of expenditure has not changed significantly.

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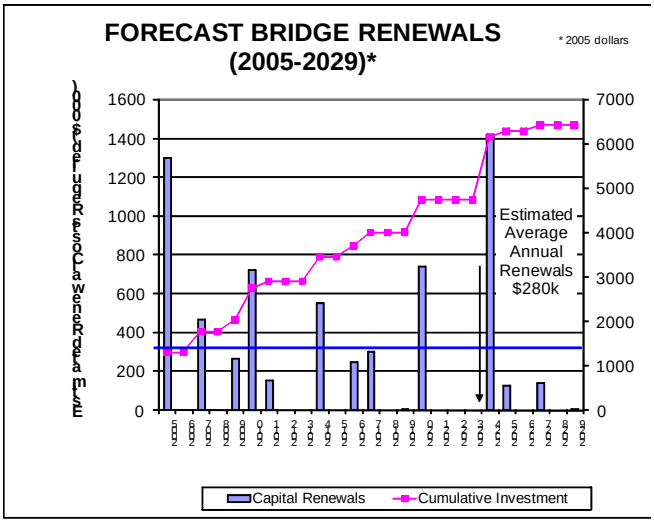
Chart 2: Forecast Bridge Renewals 2005-2029 at 30/6/05



Through the introduction of the Infrastructure Fund in 2003/04 Council allocated an additional $350,000 per annum to the replacement of existing bridges and culverts.

On average over the 25-year program $255,000 per year will need to be applied to asset replacement/renewals ($200k on timber bridges and $55k on concrete bridges). In reality, the amounts needed from year to year will vary in concert with the level of work required as indicated in Chart 2 and will also be influenced by the decision of Council to replace timber bridges with concrete bridges, vastly changing the lifecycle and maintenance profile of these assets. These changes will be addressed each year in this report as they occur.

Renewals / Maintenance Program 2009/10

Council's expenditure on bridge renewals for the year was $220,000.

Expenditure on maintenance for the past year was $213,000.

Cycleways and Footpaths

Like roads, footpaths and cycleways are a means of movement.

Traditionally footpaths were constructed 1.2m wide. With time, the allowable uses have changed, with children now allowed to ride on footpaths whereas this was previously prohibited. To allow for this, Council has determined that all footpaths will be constructed 1.5m wide. With regard to cycleways and shared paths, Australian Design guidelines require these to be a minimum of 2.5m wide where possible.

To assist Council in the appropriate upgrading of its networks, Council has recently adopted a Shared Pathway Strategy. This document looks at the needs of the Shire and identifies strategies to integrate these alternative transport modes. A feature of this document is the identification of networks that will lead to focal points and encourage use by providing connections between areas. To encourage the use of use of these facilities, the strategy identifies and prioritises works to be undertaken in both the short and long-term.

It is also accepted that not all of the footpaths and cycleways in the Shire are at the standard that council and the community would desire. In the interest of reducing Council's exposure to risk, footpaths and shared cycleways are inspected on a routine basis throughout the year and their condition assessed.

To assist in the proper management of the network, the preparation of an Asset Management Plan for transport facilities has been commenced. This will include footpaths and cycleways.

A component of this Asset Management Plan is the identification of Levels of Service. For high-use paths such as in CBDs, an increased level of service has been proposed as compared to paths in generally residential areas.

With the continued provision of funding for the NSW Coastal Cycleway, grant funding has been gained for a number of sections of the route.

It was calculated the cost of constructing all the outstanding footpaths, as identified in the Strategy, would be $2,500,000.

Data

Council's register of assets indicates that it is responsible for some 90km of constructed footways across the Shire. Council, developers and the community have constructed these over a number of years from a variety of materials, to differing standards and of varying widths. The network is comprised of 60.5km of footpaths and 31km of cycleways and shared paths.

During the past year Council undertook the construction of 3.1km of new cycleway and 122m of new footpath whilst developers contributed 1.1km. As well Council reconstructed 400m of existing AC shared path into concrete path.

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Due to the different widths of the components of the network, the total area of footpaths and cycleways that Council is responsible for is 184,388 m^2. This is an increase of 22,141 m^2 since June 2009.

It is to be noted that part of this increase is the inclusion of the surface of footbridges in Council's footpath database as they are now considered part of the pathway network. The structure is still included in the bridges component of the transport network. Of the remainder, 9,440 m^2 was constructed by council and 1,600 m^2 was provided by developers.

Significant Works

During the year, Council continued to contribute to the shared pathway between Dalmeny and Kianga that is being constructed by the local community. As well Council undertook significant works at South Head, Broulee and Tuross Head. During the year, Council either assisted in the construction of or constructed 3.65km of new footway.

Condition at 30/06/10

Footpaths and pathways, like roads, can be classified as to their condition. Unlike roads though, it is often difficult to replace just a failed section or a defect and therefore the replacement cost is much higher per section. Conversely, the depreciated value of a footpath is much lower, on a per meter basis, than the rate for roads.

On-going assessment of Council's cycle network indicated that 2% of the total area was classed as poor with the remainder satisfactory. In regards to footpaths, it has been assumed that 5% of the total area of existing footpath was classed as poor with the remainder satisfactory.

Estimate of Cost to bring to satisfactory standard (Current $)

For the existing network, it has been assumed that remedial work, at a cost varying between $12.00 and $150.00 per sq m, depending on the type of work, will be required to bring the poor condition footpaths up to a satisfactory standard. It is estimated that the total cost will be in the order of $0.5M.

Estimate of cost to maintain at that standard

Unlike roads, a footpath or cycleway will generally need to be replaced when it fails. Their maintenance is largely dependent on the type of construction. Ancillary maintenance includes clearing of adjacent vegetation, sweeping, and renewal of markings.

Unlike roads, concrete paths are not designed for a particular life expectancy. For the purposes of this report, it is assumed that a path will be replaced every 40 years in conjunction with the reconstruction of the adjacent road. Even though some capacity exists for grinding of lifts and the like in the interim, it is assumed that the primary method will be replacement. It is estimated that 0.5% of the total network will be treated this way in a year. For the remainder of the network, replacement of 2.5% of the entire network will be required each year. The unit rates adopted for this work is $150.00 per m^2 for replacement and $12.00 for grinding.

To maintain the sealed network in a satisfactory condition it is necessary to either reseal it every 12 years at a unit rate of $12.50 per m^2 where the surface is a flush seal. For asphalt segments, they would be reconstructed every 40years. This would be done with an asphalt overlay, as with roads, at a unit cost of $45.00 per m^2.

Routine maintenance also needs to be carried out. It has been assumed that the rate per km should be 20% higher than the current actual expenditure, in order to maintain a satisfactory condition. A unit cost of $1,700 per km has been used.

Table 9: Required Funding for Footpaths

Reconstruction	$ 555,933
Resurfacing	$ 337,002
Routine maintenance	$ 153,015
Total	$ 1,046,010

Estimated Annual Capital Renewals / Replacements

Footpaths and cycleways have been generally constructed from concrete to increase the life of the asset and reduce the maintenance required. As a result, a life expectance for these assets cannot be provided.

It is recognised that a renewals program will be required in the future; currently it is considered adequate that sections of the network be replaced as they fail to provide the level of service required. To this end, replacement or renewals are considered in the maintenance component outlined above.

Renewals / Maintenance Program 2009/10

Refer to the summary table for the actual expenditures for 2009/10.

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Carparking

Council is endeavouring to provide an integrated transport network in conjunction with the road network. In addition to parking provided on the street and by developers, Council provides car parking facilities within the main population centres and at venues and locations that have significant public usage.

Typically, Council designs its carparks for roads for a minimum life of 40 years. Many of the existing facilities were developed in the 1970's at a time of significant growth and are now approaching the end of their design life and therefore creating new challenges for Council.

To better manage the network, in a co-ordinated and planned way, Council has commenced preparation of a Transport Asset Management Plan. This will identify a program of works required to effectively manage the network and the financial costs to manage that program.

A key component of this work was an overhaul of our carpark database. The revised database incorporates more accurate segment data.

Data

Council has under its care and control 191,402 sq. m of sealed carparks and 33,065 sq. m of unsealed carparks. Within the sealed carparks, Council provides almost 5,000 spaces of which 120 are allocated disabled person's spaces and 240 spaces are for vehicles for trailers. It estimated the unsealed carparks provide space for an additional 1,300 vehicles. Altogether the carparks have a written down value of $9.5M.

Significant Works

During the year, Council undertook the continued management and redevelopment of our network of carparks. Included in this were:

- The construction of a new carpark at Riverside Park (adjacent to Arts Central)
- Reconstruction of the Gundary Oval West Carpark (adjacent to Eurobodalla Fire Control Centre)
- Reconstruction of Duesbury Beach and Duesbury Beach South carparks

Condition at 30/06/10

No detailed condition data has been recorded during the year. The previous data has been assumed to be still applicable – 91% of the carparking area is assumed to be satisfactory.

Estimated Cost to bring to satisfactory standard (Current $)

For the sealed network it has been assumed that resealing and remedial work, at a cost of $3.75 and $46.75 per m^2 respectively, will be required to bring the poor condition carparks up to a satisfactory standard. It is estimated that the cost to improve the entire sealed network to a satisfactory standard is $869,900.

The work required to bring the unsealed network up to a satisfactory condition is resheeting at a cost of $7.50 per sq. m. which would require an expenditure of $99,200 to achieve.

Estimate of cost to maintain at that standard

Sealed carprks

As identified above, to maintain a sealed network in a satisfactory condition it is necessary to reseal it on a regular basis. Industry standards are that resealing should be undertaken every 10-15 years (at a unit rate of $3.75 per m^2).

Routine maintenance also needs to be carried out.

It is estimated that maintenance funding of $223,100 is required to maintain the network at a satisfactory standard.

Unsealed carparks

To maintain the unsealed network at a satisfactory level of service, routine maintenance, including grading of pavements, needs to be carried out. It has been assumed that the rate per sq. m. should be 20% higher than the current actual expenditure, in order to maintain a satisfactory condition. A unit cost of $1,350 per sq. m. has been used.

Therefore maintenance funding of $44,600 per annum should be provided to maintain this standard.

Estimate Annual Capital Renewals / Replacements

Renewals and replacement is where the asset can no longer perform its function and intervention is required to allow it to continue functioning. This renewal work can be triggered by failure but it is preferable that it is initiated by intervention. This renewal is commonly known as rehabilitation. The pavement of a carpark is either flexible or rigid.

Flexible pavements are designed in a similar way to roads and as such are generally designed to perform adequately for 40 years. Therefore, it can be expected that it will need to be renewed after 40 years. On this basis therefore, allowance should be made to renew some 2.5% of the network each year.

To gain the life expectancy, it is necessary to replace the surface coating on a regular basis. This is often done by resealing the existing pavement, which renews the surface coating and provides a new wearing course.

Analysis of Council's operating costs indicates that rehabilitation will be at a unit cost of $50.50 per m^2. Based on the overall area of

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Commentary (continued)

the network, to adequately renew the network Council should be expending $215,300 per annum on renewal of its sealed carparking assets.

To maintain the unsealed network in a satisfactory condition it is necessary to resheet it every 12 years at a unit cost of $7.50 per m^2. Therefore for unsealed carparks, Council should be spending $20,700 in resheeting each year.

Rigid carpark pavements are generally constructed from concrete and are designed for a life of 100 years, Minimal maintenance is required. On this basis allowance should be made to renew some 1% of the rigid network each year.

Analysis of Council's operating costs indicates that rehabilitation will be at a unit cost of $200.00 per m^2. Based on the overall area of the rigid network, Council should be expending $220,000 per annum on renewal.

Renewals / Maintenance Program 2009/10

Refer to the summary table for the actual expenditures for 2009/10.

Bus Shelters

Bus shelters are an integral component of the Shire's transport network. They encourage people to utilise provided transport services, reducing the impact on our transport network and the environment, and improving road safety through a reduction in the number of potential conflicts.

Data

Council has under its care and control 513 bus shelters of varying style, construction and age. These currently have a written down value of $442,000.

Significant Works

During the year, Council undertook the following projects:

- Replacement of a damaged shelter on George Bass Drive at Malua Bay
- Provision of new shelters in Surf Beach Ave, Surf Beach and Anderson Ave, Tuross Head
- Construction of a new bus interchange at Batemans Bay in conjunction with the redevelopment of the foreshore

Condition at 30/06/10

It has been assumed that, generally, a bus shelter should have 3 sides and adequate visibility. Of the shelters within the shire, 6 are of a style or construction that is not acceptable and should be replaced.

Estimated Cost to bring to satisfactory standard (Current $)

It has been calculated the cost of upgrading these facilities will be in the order of $60,000.

Estimate of cost to maintain at that standard

Maintenance includes replacement of panels, painting, cleaning, etc. A unit cost of $500 per unit has been used to determine the costs required. It is estimated that Council should be spending 30,000 per annum on maintenance.

Estimate Annual Capital Renewals / Replacements

Renewals and replacement is where the asset can no longer perform its function and intervention is required to allow it to continue functioning. This renewal work can be triggered by failure but it is preferable that it is initiated by intervention. This renewal is commonly known as rehabilitation. No life has been allocated but reference to the existing network indicates a useful life of 40 years can be anticipated. On this basis, allowance should be made to renew some 2.5% of the network each year, an anticipated cost of $12,000 per annum.

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Commentary (continued)

Waterway Infrastructure

Council has an integrated network of boat ramps, wharves and jetties throughout the Shire. These provide facilities for the recreational boater and commercial operations alike.

Council is also responsible for some of the rock walling along banks of the main rivers of the Shire. Council is responsible for the rock walls upstream of the Batemans Bay Marina and along Wagonga Inlet at Narooma. It is noted that the river training walls for the Clyde and Moruya Rivers and Wagonga Inlet are not the responsibility of Council and that the rockwalls along the Moruya River are classified as flood control structures and their maintenance is partly funded by an annual maintenance grant from the Department of Environment and Climate Change.

Additional to this is the increasing amount of bank stabilisation works being undertaken to protect estuarine areas. It is proposed to develop a database of these works to allow an asset management plan to be developed.

To appropriatly manage the network both currenlt and in the future, it is porposed to prepare an Asset Management Plan as with other Council Assets. This will identify a program of works required to most effectivly manage the network and the financial costs to manage that program. This will complement Council's Strategy for Wharves, Jetties and Boat Ramps, which was prepared in 2002.

Data

Council has under its care and control 18 wharves and jetties, 25 formed boat ramps and a number of unformed/informal boat ramps throughout the shire.

It is estimated that Council is responsible for approximately 9.5km of rockwall. This is based on aerial photos as no asset database has yet been developed.

Significant Works

During the year the replacement of the existing boat ramp at Cookies Beach (Durras) was finished and a timber walkway/platform was provided between the Moruya Town Wharf and the adjacent boat ramp.

Condition at 30/06/10

As part of the development of the strategy for these assets that was prepared in 2002, a visual survey of their condition was undertaken and the assets categorised as good, average or poor. The assessment included such factors as width of ramp, adequate signage, provision of related facilities (toilets, bins, tables, etc), adequacy of parking, availability of wash-down facilities and condition of the ramp. This rating has been updated as works have been undertaken in subsequent years.

In respect of ramps, 8 (26%) were classified as good, 3 (10%) as poor with the remainder classified as average. There has been no significant change to these condition levels apart from the construction works undertaken.

Of the wharves and jetties, 5 (33%) were classified as good, 2 (13%) as poor, with the remainder classified as average. Since the classification of the structures for the Strategy, the Coalbunker Wharf has been closed due to its condition.

In addition to the rating of the wharves, boring of the timber components of a number of wharves has been undertaken to assess their structural strength.

Rock lining of rivers and foreshores was included for the first time in the breakdown of assets from 2003/04. No condition assessments have been undertaken at this stage. This is proposed for future years.

Estimate of Cost to bring to satisfactory standard (Current $)

In accordance with other accepted practices, it is accepted that the following targets should be aimed for:

Good:	25%
Average:	75%

As part of the development of the Waterway Infrastructure Strategy, estimates were prepared to improve the standard of current assets to meet those targets.

It is estimated that to improve a ramp from poor to average will cost $22,500 per asset with a further $27,500 to increase it from average to good. This includes resurfacing, provision of parking and provision of associated facilities. Based on these estimated amounts, $300,000 will be required to bring the ramp network to the target levels.

Unlike ramps, wharves cannot be estimated on a per unit basis as cost is based on the area of the facility. Estimates have been prepared for the improvement of those wharves classed poor, although it is considered a better option to reconstruct or replace the wharf. It has been estimated that it will cost $275,000 to improve the wharves/jetties that are currently classified as poor.

It is recognised that this remains an estimate and that, where possible, more accurate assessments will be made in the future.

Rock walls are difficult to be classified as good or poor. Typical failure is slumping or erosion. From an ecological perspective, it the disturbance of the integrity of the existing structure is not supported due to the loss of habitat and other negative impacts. Until an accurate determination of the amount of rock and their capacity to function adequately, no estimate can be provided.

Estimate of cost to maintain at that standard

The cost of maintaining a jetty or wharf at a desired standard is difficult to predict due to many unforeseeable events, including floods, borer attack, vandalism. Additionally, failure of any component causes failure of the majority of the structure and therefore calls for replacement. All the components of the

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Commentary (continued)

structure have similar life spans therefore it is not possible to place a figure on this aspect.

Similar to timber bridges in their construction and usage, it is adopted that a similar level of funds should be applied to the maintenance of wharves. Therefore, the adopted rate of 3% of their estimated asset value for timber bridges, is also applied to wharves. This equates to $62,000 per annum.

A level of 1%, as applies to concrete bridges, is applied to boat ramps. As well, there is a need for routine removal of sand and algae, which is not related to the value of the asset rather the number of affected facilities. Together these equate to $24,000 per annum.

It is recognised that this remains an estimate and that where possible assessments that are more accurate will be made in the future.

Council currently allocates $8,800 per annum for the maintenance of the rock wall along the Moruya River, which is classified as a flood control structure. Typically, this allows about 100m of maintenance work to be undertaken each year. Based on a review of the rock walling along the Moruya River and the works outstanding, it is estimated that only 50% of the required work at any time is undertaken each year, causing an increasing backlog of works. In the Clyde River and Wagonga Inlet, there is significantly less deterioration on those sections of walls that Council is responsible for therefore there is less need for maintenance. Based on the current maintenance work done on the Moruya River, it is estimated that some $30,000 should be spent annually on the overall network.

Estimated Annual Capital Renewals / Replacements

Most water-based infrastructure has been designed with a minimum lifespan of 50 years. Whilst this can be routinely achieved with concrete structures, the life expectancy of timber structures can be highly variable given the nature of the materials and the changing conditions they are in. The accepted position is that around 2% of the network will require replacement during any given year.

Based on current practice of renewing a jetty every year, it is estimated that $60,000 per annum should be spent of capital renewals.

In regard to boat ramps, the structure has a lifespan in excess of 50 years and cannot be replaced in isolation. As the lifespan of a concrete ramp is assumed in excess of 50 years, it is estimated that $100,000 per annum should be spent of capital renewals.

Rockwalls are structures that also cannot have individual components replaced, rather they require either total replacement or extension (such as filling between the wall and the natural ground or extending the length). There has been no history of failure requiring full replacement, rather most of the work undertaken can be considered as maintenance.

As there is no condition assessment, no allocation for renewals can be made.

Renewals / Maintenance Program 2009/10

Council expenditure on the maintenance of its boat ramps, wharves, jetties and pontoons for the past year was $55,000. This includes removal of sand and algae from ramps, and maintenance of decks and structural components of the wharves and jetties. Expenditure on renewals for the past year was $155,000.

No funds were spent on the maintenance of rock walls. Renewals expenditure will be reported separately in the future.

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Commentary (continued)

Water Assets

Council has a comprehensive water storage, transport and monitoring network.

Water for consumption is harvested from a number of sources including the Tuross and Duea Rivers. The water is directed to the distribution system and an off-river storage at Deep Creek. To enable the efficient distribution, a series of pumps "lifts" the water from the rivers to the reservoirs located around the Shire.

A systematic asset management program based on the age of an asset and its condition provides for routine renewals and refurbishment of these facilities. Council is currently undertaking the implementation of a new Asset Management System. As part of this project, Council's maintenance strategies will be reassessed based on the improved knowledge of the system and its performance.

Urban expansion and increasing environmental standards require modifications to the management of the water supply system to meet these standards. Studies have shown that the provision of the Water Management Act 2000 for environmental flows in rivers from which water supply is extracted will impact substantially on the overall system operation and yield.

The strategic direction for Council's water supply system has been set by the Eurobodalla Integrated Water Cycle Management Strategy (IWCMS). This strategy identified a range of integrated solutions to achieve security of supply. These solutions include increased attention to demand management and water saving strategies such as revised water sensitive urban design including mandatory use of rainwater tanks in all new developments. The introduction of state government regulations relating to water and energy efficiencies under BASIX has had some impact on the total water used from rainwater tanks, as the state government requirements are a lesser standard than that previously adopted by Council.

Dam storage capacity is unsatisfactory for maintaining security of supply. The Strategic plan developed from the IWCMS identified a new water treatment plant in the north and south of the shire is required to provide security of supply if 80/30 environmental flow protection is adopted.

The IWCMS also identified the need for the water delivery system asset to provide satisfactory security of supply under various environmental conditions. To achieve this, a new dedicated pipeline to Deep Creek Dam has been constructed and upgrades undertaken to the Moruya River and Tuross pumping stations.

Headworks storage system (dam/reservoirs)

Data

Council has 1 dam, 2 weirs and 39 concrete/steel reservoirs. It is estimated that they have a current replacement cost of $55.2M.

Significant Works

During the year, Council undertook the installation of solar-powered water agitators and a destratification unit at Deep Creek Dam.

Condition at 30/06/10

Regular inspections are undertaken due to the significant risk if failure was to occur. The condition of the storage network is considered satisfactory, with no identified failures.

The assumption is made that 99% of the reservoirs are in a satisfactory condition to allow for unobservable failures.

Estimated Cost to bring to satisfactory standard (Current $)

Although no individual works have been identified as being required, it has been estimated that $12,350 is required to be spent on bringing the network to a satisfactory standard.

Estimate of cost to maintain at that standard

The estimated cost of maintaining the headworks storage system at current condition is $182,640 pa ($164,200 for reservoirs and $18,436 for dams).

Estimate Annual Capital Renewals / Replacements

Based on the average life of the components of a reservoir, it is estimated that $458,000 pa is required in capital renewals expenditure. In regards to dams, which have an allocated life of 100 years, it is anticipated that we should be allocating $242,000 per annum.

Renewals / Maintenance Program 2009/10

Renewals / maintenance costs for the reservoirs was $254,000 in 2009/10. Renewal maintenance costs for the dam and weirs was $13,000 in 2009/10.

Treatment Systems

Data

Council is currently undertaking the construction of two treatment facilities, one at Deep Creek Dam and a smaller package plant at the Tuross Intake. These will be completed during 2009/10.

Water delivery system (pump stations / pipelines)

Data

Council has 13 water pump stations and approximately 915km of pipelines with a current replacement cost of $5.1M for the pump stations and $193M for the pipelines.

The pump station assets are of varying ages. Whilst some of the assets are up to 42 years old, a significant number of assets have been required in recent years due to growth and expansion. They have an estimated average age of 24 years.

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Commentary (continued)

The pipeline assets are up to 70 years old, with an estimated average age of 27 years.

Significant Works

During the year, Council undertook the following significant works

- Construction of a pipeline from the Moruya intake to Deep Creek dam.

Condition at 30/06/10

No detailed condition information is held on the pipe network. It is assumed that the majority is performing satisfactory as there are no records of significant losses, system failures or supply interruptions due to pipe failure during the year. The assumption is made that 4% of the network is unsatisfactory, based on industry standards and historical behaviour of the system.

No detailed condition information is held on the pumping network. It is assumed that the majority is performing satisfactory as there are no records of significant losses, system failures or supply interruptions due to failure during the year.

Estimated Cost to bring to satisfactory standard (Current $)

No individual works are identified as being required for the pipe network but works to the value of $8.5M are assumed to be required to bring the network to a satisfactory standard.

No individual works are identified as being required for the pumping network but works to the value of $2.0M are assumed to be required to bring the network to a satisfactory standard.

Estimate of cost to maintain at that standard

It is estimated that Council needs to spend $964,000 pa on pipeline maintenance. This includes all trunk mains, reticulation mains, bulk flow meters, motorized valves and service connections. The figure includes flushing and scouring of mains to maintain water quality.

It is estimated that $127,000 pa is required for pump station maintenance, including telemetry equipment.

Council currently manages most of the maintenance of these assets on a breakdown basis and therefore the annual cost of maintenance will vary depending upon the number of breakdown incidents occurring.

Estimate Annual Capital Renewals / Replacements

The current age and condition of the existing facilities indicates an average of $2,860,000 pa is required for the renewal and replacement of pipelines as well as $278,000 pa on pump stations.

Renewals / Maintenance Program 2009/10

In 2009/10, $331,000 was spent on renewal and $738,000 on maintenance of all water supply pipelines.

As well, $165,000 on maintenance of all water supply pump stations. No expenditure was spent on renewals.

Water Telemetry System

Council has implemented a SCADA system for the control of its water and sewer network. This is based at Council's Administration Centre and allows remote monitoring of its dams, reservoirs and pump stations as well as remote control of motorised valves.

Data

Components of the network are located both at the administration building and at individual reservoirs, dams and pump stations. There are some 59 different items in the network some of which are up to 7 years old. The system has an estimated average remaining life of 4 years.

The system has a current replacement cost of $0.6M

Condition at 30/06/10

The system appears to be working satisfactorily. Given the critical nature of components, it is assumed that 5% of the components are near or have exceeded their useful life and require replacement to ensure failures do not occur.

Estimated Cost to bring to satisfactory standard (Current $)

No individual works are identified as being required but it is assumed that $73,000 is required to be spent to ensure the satisfactory performance of the system.

Estimate of cost to maintain at that standard

The estimated cost of maintaining the telemetry system at its current condition is $123,000 pa.

Estimate Annual Capital Renewals / Replacements

Financial modelling and preliminary condition assessments indicate that Council should be replacing the water telemetry system at an average rate of $83,000 pa.

Renewals / Maintenance Program 2009/10

In 2009/10 there was no expenditure on renewals or maintenance of the water telemetry system.

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Commentary (continued)

Sewer Assets

Council has an integrated system of pipes, pumping stations and treatment facilities to collect, manage and dispose of sewage from throughout the Shire.

Due to nature of the terrain throughout the Shire, a fully gravity system is not able to be utilised. Therefore Council uses, as part of its integrated system, pump stations to allow transport of sewerage from collection points to the various treatment plants.

To address an increasing frequency of surcharges in the sewerage systems entering estuarine waterways impacting on aquaculture and public amenity, solutions were considered and adopted in the Eurobodalla Integrated Water Cycle Management Strategy.

This has been supplemented by a detailed strategy study to address the current and future upgrade strategy for Batemans Bay sewerage system. A comprehensive upgrade program has been included in Council's current Management Plan.

Further major upgrading works will be undertaken as part of the implementation of Council's Integrated Water Cycle Management Strategy. An estimated $16.8M will be required to provide facilities to meet the current standards, including $4 million of works to bring existing assets up to standard as well as enhancements to address capacity constraints in Batemans Bay and Malua Bay through the Spine Rd diversion (estimated cost $5.1M) and the Malua Bay Diversion to Tomaga Sewage Treatment Plant ($6.9M).

Council treats it sewage through a number of treatment plants that discharge through either ocean outfall, infiltration of discharge to existing waterbodies. These in general operate satisfactorily, however changes in licensing requirements, community expectations and increased loadings have already indicated that Council will need to upgrade its treatment facilities, particularly the facility serving the Batemans Bay area.

Batemans Bay Sewage Treatment Plant (STP) will require an upgrade after the diversion of loads from Malua Bay to the STP at Tomakin. $10M has been specifically identified as required to upgrade the Batemans Bay STP to cater for Batemans Bay and Malua Bay peak populations to bring the existing asset up to acceptable standard in terms of security, etc. An amount of $3.6M needs to be spent on upgrades to the Tomaga STP to enable it to accept flows diverted from Malua Bay.

In terms of expanding the sewage treatment infrastructure to cater for increasing population, this will be funded largely from developer contributions as required by State Government Guidelines.

For the smaller villages, Council is implementing a system of alternative treatment schemes. These include Turlinja, Bodalla, Rosedale, etc

Council manages its pumping, treatment and collection system by an automated SCADA system. This is housed in Council's Administration centre and allows remote access to pumps, flow meters, and valves. It also has access to an integrated rainfall network to allow monitor of anticipated wet-weather flows.

Council is currently investigating the purchase of a new Asset Management System that will be implemented across a range of assets. Adopted maintenance strategies for the sewer assets will be reassessed upon implementation of that system and will be aligned with the newly developed system.

Sewage Transport System (gravity reticulation and pressurised pipes)

Council's sewer transport assets are of varying age. Significant growth of the system occurred during the 1960's when there was rapid increase in development within the Shire. It is estimated that the average age of the system is 22 years, with an average remaining life expectancy of 47 years.

Although Council's collection system generally meets the current standards, a program of relining sewer gravity mains and restoring degraded manholes has been scheduled over the next 5 years at estimated cost of $2.75M.

Also, there is a need to continually upgrade the capacity to cater for urban growth and greater expectations from the Government and the community.

In terms of expanding the sewage collection assets, urban infill development will drive approximately 50% of this expenditure, and urban expansion will account for the remaining 50%. The cost associated with this expansion will generally be met as required funded largely by developer contributions in accordance with State Government Guidelines.

Data

Council has 528km of sewer mains having a current replacement cost of $106.2M. This is comprised of 407km of gravity pipe, 102km of pressurised pipe, and 19 km of reuse pipe.

During 2009/10, Council's network grew by 8km, mainly through development.

Significant Works

During the year Council undertook a range of works including:

- Commenced construction of the Malua Bay Rising Main (to Tomakin STP)
- Undertook a manhole restoration program renewing the internal surfaces of manholes

Condition at 30/06/10

No overall condition data exists for the network. Due to the significant environmental impacts of failure of the system, remedial

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Commentary (continued)

action on any failures is undertaken as soon as possible. It is therefore assumed that the overall system can be classified as satisfactory with 5% classified as poor due to having passed it's anticipated life span.

Estimated Cost to bring to satisfactory standard (Current $)

To bring the sewage transport system to a satisfactory standard, it is identified at costing $0.5M.

Estimate of cost to maintain at that standard

It is estimated that Council needs to spend approximately $531,000 per annum to maintain the sewer transport network at the current standard.

Estimate Annual Capital Renewals / Replacements

Financial modelling and condition assessments indicate that assets should be replaced/renewed at an average rate of approximately $1,440,000 pa.

Renewals / Maintenance Program 2009/10

During 2009/10, $257,000 was spent on renewing the pipe network whilst $241,000 was spent on maintenance.

Sewage pump stations.

Data

Council currently operates 126 pump stations which are up to 38 years old with a current replacement cost of $38.5M.

Significant Works

During the year Council undertook a range of works including:

- Sewer detention tanks at Narooma to handle storm flows
- Construction of the Spine Road Pump Station, reducing the load on existing stations along the coastline

Condition at 30/06/10

No detailed condition assessment of the pumping/transfer system is available. It is assumed that the condition of these assets is satisfactory as they are compliant in terms of the adopted levels of service specified in Council's Sewerage Strategic Business Plan ie less than 20 surcharges per sewerage system per year.

It is assumed that 10% of the overall system can be classified as poor due to having passed it's anticipated life span.

Estimated Cost to bring to satisfactory standard (Current $)

On the basis that 10% of the pump assets and components are near or exceeded their useful life, it is estimated that $3.85M will be required to bring all relevant assets to an acceptable level.

Estimate of cost to maintain at that standard

It is estimated that Council needs to spend approximately $607,000 on maintenance to maintain the pumping system at the current standard.

Estimate Annual Capital Renewals / Replacements

Financial modelling and condition assessments indicate that assets should be replaced/renewed at an average rate of approximately $2,240,000 pa.

Renewals / Maintenance Program 2009/10

During 2009/10, $437,000 was expended on maintenance and $295,000 on renewals.

Sewage Treatment System

Data

Council operates 5 sewage treatment plants, with a current replacement cost of $108M.

Significant Works

During the year Council undertook a range of works including:

- Installation of sludge drying beds at Moruya STP for transported septic waste
- Inlet works for Batemans Bay STP

Condition at 30/06/10

As with the pump stations, no detailed condition assessment is available. The condition of the majority of these assets is considered satisfactory as they meet Council's adopted levels of service, as specified in Council's Sewerage Strategic Business Plan ie compliance with DEC license effluent quality conditions, maximum quantity treated of 58 megalitres per day.

Estimated Cost to bring to satisfactory standard (Current $)

No works have been identified as the plants are considered satisfactory to perform their current function.

Estimate of cost to maintain at that standard

It is estimated that Council needs to spend approximately $286,700 on maintenance to its plants and the associated equipment.

Estimate Annual Capital Renewals / Replacements

Financial modelling and preliminary condition assessments indicate that Council should be replacing treatment plant equipment at an average rate of $2,136,000 pa.

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Commentary (continued)

Renewals / Maintenance Program 2009/10

During 2009/10, $248,000 was expended on maintenance and $117,000 on renewals.

Sewage Telemetry System

Data

Council's sewage telemetry system has an average age of 5 years and an estimated remaining life of 2 years. The anticipated replacement cost is estimated at $1.4M.

Significant Works

During the year Council undertook a range of works including:

- Installation of in-line early warning devices to warn of surcharges occurring

Condition at 30/06/10

The system appears to be operating satisfactorily although it can be assumed that some components are close to or have exceeded their useful life.

Estimated Cost to bring to satisfactory standard (Current $)

No works have been identified as being required but it is assumed that 75% of the system requires replacement due to age or deterioration. This is estimated at $0.7M.

Estimate of cost to maintain at that standard

No detailed asset maintenance strategy is available for the telemetry system. Whilst the system has common componentry with the water system, it is estimated the cost of maintaining the sewer component of the system at its current condition is $151,400 pa.

Estimate Annual Capital Renewals / Replacements

Financial modelling and preliminary condition assessments indicate that Council should be replacing components of the telemetry system at an average rate of $205,000 pa.

Renewals / Maintenance Program 2009/10

During 2009/10, no maintenance was recorded whilst $170,000 was expended on renewals.

Drainage Assets

To assist in the protection of property and reduce the impacts of rain events, drainage systems are installed to collect, move and discharge surface waters to natural waterways or the ocean. Generally, this drainage network consists of pits to collect the stormwater, pipes (typically reinforced concrete) to transport this water, and headwalls where the water is discharged. Whilst much of the water is conveyed underground, some is also carried above ground in open channels.

To ensure that the waterways that this stormwater is discharged into are protected, Council has instigated the use of pollution control measures ranging from education campaigns to sediment basins and gross pollutant traps.

To assist in the continuing function of the drainage assets and to limit impacts from increasing development, Council has instigated Integrated Water Cycle Management Techniques. These will reduce the impact of new developments on existing systems and limit the need for upgrading of existing systems.

The components of a drainage system are a vital component of many other Council assets as well. For instance, for roads to perform satisfactorily, they require water to be removed before the pavement is weakened. Flooding of properties and road networks impact on residents, commuters and visitors, causing disruption and loss. The drainage network aims to relieve this disruption. Uncontrolled flows can cause scouring and erosion which affects the natural environment the flows discharge to. If the drainage network is not maintained, substantial effects can be had upon people and assets.

Due to historical deficiencies, there are many instances where there is little or no provision for overflow paths in major storm events. It is vital therefore, that the existing pipe systems be maintained in good working order to ensure the least possible impact on private property.

Whilst much of the stormwater system is on public land, some of these pipe systems run through private property.

A significant portion of the drainage network is between 40 to 50 years old, having been constructed during the significant growth periods of the 60's and 70's. Whilst the components often have a life expectancy of greater than this, they are now increasingly being found to be under capacity due to increased development and development of areas upstream of the existing systems.

To assist in the managed renewal of the system, Council commenced the preparation of an Asset Management Plan for its Stormwater Network. One of the outcomes of this will be the estimation of what renewals will be required over the next 20 years due to assets reaching the end of their useful life.

As the Shire develops, the capacity of the existing network is also under strain. Whilst measures such as the Integrated Water Cycle

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Management Strategy will alleviate the impacts on existing systems, some assets will still need to be replaced to handle larger flows. Where possible this will be integrated with the renewal program to ensure efficient management of Council's funds.

Stormwater drainage problems are primarily identified as a result of complaint, usually during or following a rain event. To ensure more efficient recording of problems and their location, complaints are logged in Council's Customer Service Requests system. Council is developing capacity to undertake detailed analysis of its existing systems to identify those areas below capacity.

It is to be noted that this section only deals with drainage systems that collect, move and discharge stormwater. The culverts going from one side of a road to another, whose sole purpose is to protect the road pavement, are considered road culverts and considered within the transport network.

Data

Due to the complexity of the network and lack of information provided in previous years, Council does not hold information on all the stormwater assets within the Shire.

To enable the preparation of an Asset Management Plan, a WAE data collection program has been undertaken. This program has identified:

- 578km of stormwater pipes and box-culverts
- 416m of open concrete channels
- 6576 structures
- 8 gross pollutant devices
- 8 Sediment basins

It is estimated that they have a current value of $53.7M and a replacement value of $80m.

Significant Works

During the year, a number of lines were either replaced or extended to improve the system. These included

- Completion of the drainage in Bavarde Ave, Batemans Bay; and Flinders Way, Surf Beach
- Construction of drainage in Corrigans Crescent, Batehaven; and Hadrill Parade, Dalmeny;

The year also saw the continuing collection of WAE and condition data.

Condition at 30/06/10

As noted above, a significant proportion of our stormwater assets are now reaching a critical time in their design-life. Whilst concrete pipes can be expected to have a design life of 100 years, they are now nearing half of that life and require inspection to identify any maintenance required to allow them to continue operating satisfactorily. As well, significant outside factors often occur that reduce the capacity of the system to undertake their function including movement of joints, removal of bedding/support, and overloading of pipes due to insufficient depth.

For condition assessment purposes, we are extrapolating the condition survey of identified areas to the whole system. The areas with full condition rating include Batehaven, Moruya and Tuross Head.

Pipes

To date evidence from the surveys is that about 5% of the existing pipes are rated extreme and should be repaired or re-laid due to poorly aligned/butted pipes. If left unattended these deficiencies may impact significantly on the pipe system's capacity to handle flows, causing problems upstream. It can be assumed that about 10% of the pipes dug up when doing this work should be damaged and therefore require replacement (i.e. 0.5% of the total pipe system).

Another 15% of the pipes were rated as poor, due mainly to poor alignment.

Pits

The surveys indicated that approximately 5% of the pits were rated as extreme. Of these, 2% are at the end of their useful life and should be replaced and 3% are in need of repair and/or reshaping. Another 10% of pits were rated as poor.

Cost to bring to Satisfactory Standard

It is difficult to estimate the restoration cost given the limited data available. However if the experience in the WAE data collection is extrapolated across the remainder of the Shire, restoration costs of the order of $0.06M and $0.34M to attend to those elements rated as extreme and poor respectively can be anticipated (i.e. a total restoration cost of $0.4M).

Estimate of cost to maintain at that standard

With the information at hand it is only possible to make an estimate on the basis of percentage of the asset value. Assuming the expense of maintaining drainage systems at an acceptable standard to be 0.5% of the total asset value, an annual expenditure of $0.4M would be required to maintain these assets.

Estimate Annual Capital Renewals / Replacements

In regards to renewals due to design life exceedance, the drainage system is designed for a minimum life of 50 years. On this basis, 2% of the entire network should be replaced each year. As noted above, approximately 2% of the pit network has been

Eurobodalla Shire Council

Special Schedule No. 7 - Condition of Public Works
as at 30 June 2010

Commentary (continued)

determined to be at the end of their life. Based on the estimated value of the network, it is estimated that Council should be allocating $1.6M per annum for drainage replacement.

Renewals / Maintenance Program 2009/10

During 2009/10, $327,000 was expended on maintenance and $289,000 on renewal of the drainage system.

Waste System

Council has an integrated waste management scheme that is composed of landfill, recycling and education.

Council owns and operates landfill facilities under licences issued by the EPA as well as a transfer station at Moruya.

The landfills are operated in accordance with conditions laid out in the licences, particularly in relation to air, noise and water. Included in the operational requirements are the daily covering of waste, supervision of recycling/waste disposal, and the provision and monitoring of erosion and leachate controls.

All landfill facilities have a limited life and will require eventual replacement or alternative solutions found. The current life expectancy for the existing landfills is only 7 years. The adopted Waste Minimisation Strategy is focused on gaining the maximum life from the existing landfills. Government policy initiatives and the actual waste generation will determine the effectiveness of this strategy. No allowance has been made regarding the future use of the sites, the costs to rehabilitate or the cost to develop new facilities, except for a balance sheet provision for rehabilitation totalling $800,000. This is outside the scope of this document and will be addresses as part of the proposed Asset Management Plan and the Strategic Plan for Waste Facilities that requires development.

To ensure the conditions of approval are being met, improvements are continually being undertaken, under both annual and longer term programs. Over the next five years approximately $3M has been identified in budget allocations to allow improvements to the infrastructure and management of the landfill sites to ensure the EPA and communities expectations are met.

Staged rehabilitation of both current landfills is proposed over future years in accordance with the Landfill Environmental Management Plan for each site. At the previous Moruya landfill, completion of the formal closure of the previous cells will be undertaken during the forthcoming year.

In 2004/05 Council commenced operations in recovering materials for the Surf Beach Buy Back Centre. Renovations to the existing buildings were undertaken to improve the operations. On-going improvements to the infrastructure will be required in the medium to long term to support the operation of this facility.

It is anticipated that future recycling operations will intensify as opportunities are identified e.g. E-Waste recycling was introduced during the year with the only capital outlay required being the purchase of containers for the collection of items.

In 2008/09 Council commenced the management of recycling green waste materials. Green waste is collected under a kerbside collection regime and dropped off to the Waste Management Facility at Surf Beach.

Landfill and Transfer Station Assets

Data

Council owns and operates a landfill site at Surf Beach and runs, under an Occupation Permit from State Forests, an additional facility at Brou. In addition, Council operates a transfer station, incorporating recycling drop-off facilities, at Moruya.

Significant Works

During the year a number of initiatives were undertaken:

- Implementation of landfill "lids" to reduce the amount of cover required to be placed each day
- Implementation of small vehicle drop-off facility at Surf Beach landfill to enable the separation of commercial and residential operations and to increase recovery of recyclable materials

Condition at 30/06/10

The two facilities are considered satisfactory, with no major failures reported during the past year. Routine inspections noted that the fencing at Surf Beach landfill needs to be repaired to ensure satisfactory operation of the facility.

Estimated Cost to bring to satisfactory standard (Current $)

The only outstanding work identified as being required is the fencing of the facility at Surf Beach. This has been estimated at $20,000.

Estimate of cost to maintain at that standard

It is estimated that it costs approximately $1.06M pa to maintain these assets to the current standard.

Estimate Annual Capital Renewals / Replacements

Capital expenditure is required for ongoing rehabilitation as landfill sites are filled. This is currently estimated at $165,000 per annum for Council's sites.

As noted above, the landfill facilities will require eventual replacement. An allowance of $259,000 needs to be provided to undertake investigations into alternate waste technology or alternative sites and replacement of the current facility.

Eurobodalla Shire Council

Special Schedule No. 7 - Condition of Public Works
as at 30 June 2010

Commentary (continued)

Renewals / Maintenance Program 2009/10

During 2009/10, $966,000 was expended on maintenance and $59,000 on renewals.

Recycling Assets

Data

Council owns six recycling buildings, two storage compounds, and two recycling platforms and associated equipment to facilitate the recycling of glass, paper and metals. These assets have a replacement value of approximately $300,000. Council also owns two small 'drop-off points' at Batemans Bay and Narooma. These assets have a replacement value of approximately $10,000.

Significant Works

During the year, Council completed the implementation of a small vehicle drop-off facility at Surf Beach landfill to enable the separation of commercial and residential operations and to increase recovery of recyclable materials.

Condition at 30/06/10

No individual works have been identified as being required. Though the facilities are considered to be generally in a satisfactory condition, the overall standard is below what is expected by the community.

Estimated Cost to bring to satisfactory standard (Current $)

It is estimated that $110,000 is required to bring the overall system to a satisfactory standard.

Estimate of cost to maintain at that standard

The estimated cost to maintain and operate the existing recycling facilities is approximately $160,000. The estimate for the maintenance of the green waste recycling component is $72,500.

Estimate Annual Capital Renewals / Replacements

Currently, not enough information is held to identify what is required to be allocated to renewals. It is estimated that $20,000 should be allocated.

Renewals / Maintenance Program 2009/10

No separate expenditure was recorded on recycling facilities and operations. Actual maintenance costs are combined with the Landfill Assets and Transfer Station Assets.

Eurobodalla Shire Council

Special Schedule No. 8 - Financial Projections
as at 30 June 2010

$'000	Actual [1] 09/10	Forecast 10/11	Forecast 11/12	Forecast[3] 12/13	Forecast[3] 13/14
(i) RECURRENT BUDGET					
Income from continuing operations	93,928	89,019	85,754	86,927	87,257
Expenses from continuing operations	77,560	81,778	82,709	83,085	84,014
Operating Result from Continuing Operations	**16,368**	**7,241**	**3,045**	**3,842**	**3,243**
(ii) CAPITAL BUDGET					
New Capital Works [2]	28,804	31,860	15,925	12,934	13,030
Replacement/Refurbishment of Existing Assets	8,117	13,288	10,666	15,432	13,406
Total Capital Budget	**36,921**	**45,148**	**26,591**	**28,366**	**26,436**
Funded by:					
– Loans	20,781	13,154	8,319	7,494	15,221
– Asset sales	959	1,555	1,100	1,100	1,100
– Grants/Contributions	9,328	10,026	5,492	6,061	5,845
– Recurrent revenue	5,853	20,413	11,680	13,711	4,270
	36,921	**45,148**	**26,591**	**28,366**	**26,436**

Notes:

(1) From 09/10 Income Statement.

(2) New Capital Works are major non-recurrent projects, eg new Leisure Centre, new Library, new Swimming pool etc.

(3) If Council has only adopted 3 years of projections then only show 3 years.