Eurobodalla Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2009

"Good Government, Better Living"

EUROBODALLA SHIRE COUNCIL
Good Government, better living

Eurobodalla Shire Council

Special Schedules
for the financial year ended 30 June 2009

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 Department of Energy, Utilities & Sustainability (DEUS), and
- the Department 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 specific service financial activities.

Eurobodalla Shire Council

Special Schedule No. 1 - Net Cost of Services
for the financial year ended 30 June 2009

$'000

Function or Activity	Expenses from continuing operations		Income from continuing operations			Net Cost of Services	
	Expenses	Group Totals	Non Capital Revenues	Capital Revenues	Group Totals	Net Cost	Group Totals
Governance	691	**691**	3	-	**3**	(688)	**(688)**
Administration							
Corporate Support	8,424		351	-		(8,073)	
Engineering and Works	1,648		80	-		(1,568)	
Other Support Services[1]	(10,498)	**(426)**	1	-	**432**	10,499	**858**
Public Order and Safety							
Contributions to Fire Service Levy	383		-	-		(383)	
Fire Protection – Other	1,018		522	328		(168)	
Animal Control	166		51	-		(115)	
Beach Control	276		-	-		(276)	
Enforcement of Local Govt Regs	490		174	-		(316)	
Emergency Services	59		-	56		(3)	
Other	-	**2,392**	-	-	**1,131**	-	**(1,261)**
Health							
Administration and Inspection	54		-	-		(54)	
Food Control	82		77	-		(5)	
Insect/Vermin Control	10		-	-		(10)	
Noxious Plants	321		164	-		(157)	
Other	-	**467**	-	-	**241**	-	**(226)**
Community Services and Education							
Administration	553		50	-		(503)	
Family Day Care	737		725	-		(12)	
Child Care	459		360	10		(89)	
Youth Services	306		42	-		(264)	
Aged and Disabled	2,853		2,825	26		(2)	
Migrant Services	-		-			-	
Aboriginal Services	258		189	-		(69)	
Other Community Services	512		469	-		(43)	
Education	-	**5,678**	-	-	**4,696**	-	**(982)**

Eurobodalla Shire Council

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

for the financial year ended 30 June 2009

$'000

Function or Activity	Expenses from continuing operations		Income from continuing operations			Net Cost of Services	
	Expenses	Group Totals	Non Capital Revenues	Capital Revenues	Group Totals	Net Cost	Group Totals
Housing and Community Amenities							
Housing	-		-	-		-	
Town Planning	2,586		811	-		(1,775)	
Domestic Waste Management	4,630		4,552	7		(71)	
Other Waste Management	2,660		2,866	8		214	
Street Cleaning	281		-	-		(281)	
Stormwater Management	1,035		436	356		(243)	
Environmental Protection	1,877		1,411	-		(466)	
Public Cemeteries	136		81	-		(55)	
Public Conveniences	848		-	140		(708)	
Other Community Amenities	349	**14,402**	-	-	**10,668**	(349)	**(3,734)**
Water Supplies	10,170	**10,170**	11,329	9,172	**20,501**	10,331	**10,331**
Sewerage Services	12,925	**12,925**	12,494	4,441	**16,935**	4,010	**4,010**
Recreation and Culture							
Public Libraries	1,374		173	81		(1,120)	
Community Centres	212		111	53		(48)	
Public Halls	133		8	-		(125)	
Other Cultural Services	99		16	-		(83)	
Swimming Pools	834		-	270		(564)	
Sporting Grounds	1,127		373	235		(519)	
Parks and Gardens	4,037		231	298		(3,508)	
Other Sport and Recreation	1	**7,817**	4	164	**2,017**	167	**(5,800)**
Fuel and Energy							
Gas Supplies	-	**-**	-	-	**-**	-	**-**
Mining, Manufacturing and Construction							
Building Control	890		570	-		(320)	
Quarries and Pits	1		-	-		(1)	
Other	-	**891**	-	-	**570**	-	**(321)**

Eurobodalla Shire Council

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

for the financial year ended 30 June 2009

$'000

Function or Activity	Expenses from continuing operations		Income from continuing operations			Net Cost of Services	
	Expenses	Group Totals	Non Capital Revenues	Capital Revenues	Group Totals	Net Cost	Group Totals
Transport and Communication							
Urban Roads (UR) - Local	3,803		432	725		(2,646)	
Urban Roads - Regional	832		906	-		74	
Sealed Rural Roads (SRR) - Local	2,686		269	2,161		(256)	
Unsealed Rural Roads (URR) - Local	1,730		126	65		(1,539)	
Bridges on UR - Local	129		10	-		(119)	
Bridges on SRR - Local	303		173			(130)	
Bridges on URR - Local	218		-	-		(218)	
Footpaths	388		-	942		554	
Aerodromes	481		336	-		(145)	
Parking Areas	301		123	-		(178)	
Bus Shelters and Services	65		-	35		(30)	
Water Transport	153		-	85		(68)	
RTA Works (State)	868		964	-		96	
Street Lighting	490		46	-		(444)	
Other	110	**12,557**	66	2	**7,466**	(42)	**(5,091)**
Economic Affairs							
Camping Areas	332		372	100		140	
Caravan Parks	2,574		2,528	-		(46)	
Tourism and Area Promotion	1,749		507	-		(1,242)	
Industrial Development Promotion	172		3	-		(169)	
Saleyards and Markets	27		6	-		(21)	
Real Estate Development	12		-	-		(12)	
Commercial Nurseries	-		-	-		-	
Other Business Undertakings	1,394	**6,260**	699	55	**4,270**	(640)	**(1,990)**
Totals – Functions		**73,824**	**49,115**	**19,815**	**68,930**		**(4,894)**
General Purpose Revenues[2]	371		**24,573**		**24,573**	24,202	**24,202**
Share of interests - joint ventures & associates using the equity method	**-**	**-**	**-**		**-**	-	**-**
NET OPERATING RESULT FOR YEAR	**74,195**		**73,688**	**19,815**	**93,503**	**19,308**	**19,308**

Notes:

(1) Includes the recoveries of Corporate and Engineering overhead costs from the other functional areas.

(2) Includes: Rates & Annual Charges (incl. Ex Gratia), Non Capital 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 2009

$'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	65	581	**646**	-	65	-	2	34	166	415	**581**
Public Subscription	-	-	**-**	-	-	-	-	-	-	-	**-**
Financial Institutions	3,839	34,183	**38,022**	10,000	3,839	-	-	2,534	5,159	39,024	**44,183**
Other	-	-	**-**	-	-	-	-	-		-	**-**
Total Loans	**3,904**	**34,864**	**38,768**	**10,000**	**3,904**	**-**	**2**	**2,574**	**5,325**	**39,539**	**44,864**
Other Long Term Debt											
Ratepayers Advances	-	-	**-**							-	**-**
Government Advances	-	-	**-**							-	**-**
Finance Leases	-	-	**-**							-	**-**
Deferred Payments	-	-	**-**							-	**-**
Total Other Long Term Debt	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Long Term Debt	**3,904**	**34,864**	**38,768**	**10,000**	**3,904**	**-**	**2**	**2,574**	**5,325**	**39,539**	**44,864**

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 GPFR'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 2009

$'000		Actuals 2009	Actuals 2008
A	**Expenses and Income**		
	Expenses		
1.	**Management expenses**		
	a. Administration	3,042	3,040
	b. Engineering and Supervision	-	-
2.	**Operation and Maintenance**		
	- Dams & Weirs		
	a. Operation expenses	53	59
	b. Maintenance expenses	9	15
	- Mains		
	c. Operation expenses	683	851
	d. Maintenance expenses	726	827
	- Reservoirs		
	e. Operation expenses	266	171
	f. Maintenance expenses	81	99
	- Pumping Stations		
	g. Operation expenses (excluding energy costs)	331	251
	h. Energy costs	446	551
	i. Maintenance expenses	109	131
	- Treatment		
	j. Operation expenses (excluding energy costs)	2	4
	k. Chemical costs	2	-
	l. Maintenance expenses	4	10
	- Other		
	m. Operation expenses	220	171
	n. Maintenance expenses	13	8
3.	**Depreciation**		
	a. System assets	2,679	2,273
	b. Plant and equipment	149	131
4.	**Miscellaneous expenses**		
	a. Interest expenses	179	31
	b. Revaluation Decrements	115	949
	c. Other expenses	-	-
	d. Tax Equivalents Dividends (actually paid)	22	23
5.	**Total expenses**	**9,131**	**9,595**

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 2009

$'000		Actuals 2009	Actuals 2008
	Income		
6.	**Residential charges**		
	a. Access (including rates)	5,483	5,239
	b. Usage charges	3,641	3,496
7.	**Non-residential charges**		
	a. Access (including rates)	476	461
	b. Usage charges	1,355	1,389
8.	**Extra charges**	-	-
9.	**Interest income**	116	857
10.	**Other income**	185	248
11.	**Grants**		
	a. Grants for acquisition of assets	7,650	4,531
	b. Grants for pensioner rebates	191	187
	c. Other grants	-	-
12.	**Contributions**		
	a. Developer charges	930	824
	b. Developer provided assets	592	243
	c. Other contributions	19	4
13.	**Total income**	**20,638**	**17,479**
14.	**Gain or loss on disposal of assets**	(1,176)	8
15.	**Operating Result**	**10,331**	**7,892**
15a.	**Operating Result (less grants for acquisition of assets)**	2,681	3,361

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 2009

$'000		Actuals 2009	Actuals 2008
B	**Capital transactions**		
	Non-operating expenditures		
16.	**Acquisition of Fixed Assets**		
	a. Subsidised scheme	13,111	4,531
	b. Other new system assets	(367)	11,384
	c. Renewals	1,429	1,148
	d. Plant and equipment	144	184
17.	**Repayment of debt**		
	a. Loans	27	128
	b. Advances	-	-
	c. Finance leases	-	-
18.	**Transfer to sinking fund**	2	2
19.	**Totals**	**14,346**	**17,377**
	Non-operating funds employed		
20.	**Proceeds from disposal of assets**	43	30
21.	**Borrowing utilised**		
	a. Loans	-	-
	b. Advances	-	-
	c. Finance leases	-	-
22.	**Transfer from sinking fund**	-	-
23.	**Totals**	**43**	**30**
C	**Rates and charges**		
24.	**Number of assessments**		
	a. Residential (occupied)	17,758	17,649
	b. Residential (unoccupied, ie. vacant lot)	1,563	1,623
	c. Non-residential (occupied)	922	824
	d. Non-residential (unoccupied, ie. vacant lot)	83	91
25.	**Number of ETs for which developer charges were received**	97 ET	87 ET
26.	**Total amount (actual dollars) of pensioner rebates**	$ 348,000	$ 342,000

Eurobodalla Shire Council

Special Schedule No. 3 - Water Supply Cross Subsidies
for the financial year ended 30 June 2009

$'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*?	Yes		
If Yes, go to 28a. 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 3.2 of Water Supply, Sewerage and Trade Waste Pricing Guidelines, Department of Water & Energy, December, '2002. Such charges do not involved 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 2008/09 (page 47 of Guidelines)			
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, Department of Water and Energy, Dec 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.

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 2009

$'000		Actuals Current	Actuals Non Current	Actuals Total
	ASSETS			
30.	**Cash and investments**			
	a. Developer charges	2,742	-	**2,742**
	b. Special purpose grants	-	-	**-**
	c. Accrued leave	-	-	**-**
	d. Unexpended loans	-	-	**-**
	e. Sinking fund	259	-	**259**
	f. Other	926	-	**926**
31.	**Receivables**			
	a. Specific purpose grants	31	-	**31**
	b. Rates and charges	-	-	**-**
	c. Other	1,650	-	**1,650**
32.	**Inventories**	376	-	**376**
33.	**Property, plant and equipment**			
	a. System assets	-	178,006	**178,006**
	b. Plant and equipment	-	1,887	**1,887**
34.	**Other assets**	-	-	**-**
35.	**Total assets**	**5,984**	**179,893**	**185,877**
	LIABILITIES			
36.	**Bank overdraft**	-	-	**-**
37.	**Creditors**	36	-	**36**
38.	**Borrowings**			
	a. Loans	128	307	**435**
	b. Advances	-	-	**-**
	c. Finance leases	-	-	**-**
39.	**Provisions**			
	a. Tax equivalents	-	-	**-**
	b. Dividend	-	-	**-**
	c. Other	26	-	**26**
40.	**Total liabilities**	**190**	**307**	**497**
41.	**NET ASSETS COMMITTED**	**5,794**	**179,586**	**185,380**
	EQUITY			
42.	Accumulated surplus			**134,929**
43	Asset revaluation reserve			**50,451**
44.	**TOTAL EQUITY**			**185,380**
	Note to system assets:			
45.	**Current replacement cost** of system assets			255,255
46.	Accumulated **current cost** depreciation of system assets			(77,249)
47.	Written down **current cost** of system assets			**178,006**

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 2009

$'000		Actuals 2009	Actuals 2008
A	**Expenses and Income**		
	Expenses		
1.	**Management expenses**		
	a. Administration	2,765	1,840
	b. Engineering and Supervision	-	-
2.	**Operation and Maintenance**		
	- Mains		
	a. Operation expenses	723	675
	b. Maintenance expenses	257	150
	- Pumping Stations		
	c. Operation expenses (excluding energy costs)	1,007	871
	d. Energy costs	266	271
	e. Maintenance expenses	422	575
	- Treatment		
	f. Operation expenses (excl. chemical, energy, effluent & biosolids management costs)	1,417	1,702
	g. Chemical costs	260	218
	h. Energy costs	281	271
	i. Effluent Management	-	-
	j. Biosolids Management	-	-
	k. Maintenance expenses	295	277
	- Other		
	l. Operation expenses	113	834
	m. Maintenance expenses	-	3
3.	**Depreciation**		
	a. System assets	3,824	2,945
	b. Plant and equipment	44	139
4.	**Miscellaneous expenses**		
	a. Interest expenses	756	802
	b. Revaluation Decrements	109	378
	c. Other expenses	-	-
	d. Tax Equivalents Dividends (actually paid)	40	41
5.	**Total expenses**	**12,579**	**11,992**

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 2009

$'000		Actuals 2009	Actuals 2008
	Income		
6.	**Residential charges** (including rates)	11,038	9,684
7.	**Non-residential charges**		
	a. Access (including rates)	785	703
	b. Usage charges	-	-
8.	**Trade Waste Charges**		
	a. Annual Fees	30	28
	b. Usage charges	118	118
	c. Excess mass charges & re-inspection fees	-	-
9.	**Extra charges**	-	-
10.	**Interest income**	264	278
11.	**Other income**	82	72
12.	**Grants**		
	a. Grants for acquisition of assets	3,320	-
	b. Grants for pensioner rebates	182	177
	c. Other grants	-	-
13.	**Contributions**		
	a. Developer charges	619	604
	b. Developer provided assets	502	503
	c. Other contributions	145	1
14.	**Total income**	**17,085**	**12,168**
15.	**Gain or loss on disposal of assets**	(495)	(555)
16.	**Operating Result**	**4,011**	**(379)**
16a.	**Operating Result (less grants for acquisition of assets)**	691	(379)

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 2009

$'000		Actuals 2009	Actuals 2008
B	**Capital transactions**		
	Non-operating expenditures		
17.	**Acquisition of Fixed Assets**		
	a. Subsidised scheme	450	-
	b. Other new system assets	2,606	3,472
	c. Renewals	903	732
	d. Plant and equipment	60	54
18.	**Repayment of debt**		
	a. Loans	1,894	661
	b. Advances	-	-
	c. Finance leases	-	-
19.	**Transfer to sinking fund**	-	-
20.	**Totals**	**5,913**	**4,919**
	Non-operating funds employed		
21.	**Proceeds from disposal of assets**	-	-
22.	**Borrowing utilised**		
	a. Loans	1,768	1,750
	b. Advances	-	-
	c. Finance leases	-	-
23.	**Transfer from sinking fund**	-	-
24.	**Totals**	**1,768**	**1,750**
C	**Rates and charges**		
25.	**Number of assessments**		
	a. Residential (occupied)	16,338	16,045
	b. Residential (unoccupied, ie. vacant lot)	1,420	1,544
	c. Non-residential (occupied)	875	860
	d. Non-residential (unoccupied, ie. vacant lot)	80	89
26.	**Number of ETs for which developer charges were received**	76 ET	73 ET
27.	**Total amount (actual dollars) of pensioner rebates**	$ 332,000	$ 323,000

Eurobodalla Shire Council

Special Schedule No. 5 - Sewerage Cross Subsidies
for the financial year ended 30 June 2009

$'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)?	Yes		
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, Department of Water and Energy, 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 2008/09 (page 47 of Guidelines)			
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, Department of Water & Energy , Dec 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 2009

$'000		Actuals Current	Actuals Non Current	Actuals Total
	ASSETS			
31.	**Cash and investments**			
	a. Developer charges	1,011	-	**1,011**
	b. Special purpose grants	3,285	-	**3,285**
	c. Accrued leave	-	-	**-**
	d. Unexpended loans	-	-	**-**
	e. Sinking fund	-	-	**-**
	f. Other	4,522	-	**4,522**
32.	**Receivables**			
	a. Specific purpose grants	-	-	**-**
	b. Rates and charges	-	-	**-**
	c. Other	-	-	**-**
33.	**Inventories**	-	-	**-**
34.	**Property, plant and equipment**			
	a. System assets	-	162,743	**162,743**
	b. Plant and equipment	-	429	**429**
35.	**Other assets**	-	-	**-**
36.	**Total Assets**	**8,818**	**163,172**	**171,990**
	LIABILITIES			
37.	**Bank overdraft**	-	-	**-**
38.	**Creditors**	135	-	**135**
39.	**Borrowings**			
	a. Loans	2,988	9,398	**12,386**
	b. Advances	-	-	**-**
	c. Finance leases	-	-	**-**
40.	**Provisions**			
	a. Tax equivalents	-	-	**-**
	b. Dividend	-	-	**-**
	c. Other	-	-	**-**
41.	**Total Liabilities**	**3,123**	**9,398**	**12,521**
42.	**NET ASSETS COMMITTED**	**5,695**	**153,774**	**159,469**
	EQUITY			
42.	Accumulated surplus			**98,799**
44.	Asset revaluation reserve			**60,670**
45.	**TOTAL EQUITY**			**159,469**

Note to system assets:

46.	**Current replacement cost** of system assets	257,220
47.	Accumulated **current cost** depreciation of system assets	(94,477)
48.	Written down **current cost** of system assets	**162,743**

Eurobodalla Shire Council

Notes to Special Schedule No.'s 3 & 5
for the financial year ended 30 June 2009

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 2009

$'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	1.42% to 5%	554	91	29,410	8,580	20,920	90% satisfactory	832	416	109
	Operational	1.42% to 5%	249	4,478	15,960	5,428	15,010	90% satisfactory	637	212	143
	Bush Fire Facilities	1.42% to 5%	54	17	6,502	2,397	4,123	90% satisfactory	196	98	19
	Public Halls	1.42% to 5%	192	15	10,539	3,212	7,342	90% satisfactory	316	158	63
	Community Centres	1.42% to 5%	10	0	2,631	461	2,170	90% satisfactory	79	39	24
	Sporting Facilities	1.42% to 5%	338	2,552	19,169	6,832	14,889	90% satisfactory	629	314	96
	Swimming Pool Centres	1.42% to 5%	52	17	3,328	1,898	1,447	70% satisfactory	611	67	44
	Public Toilets	1.42% to 5%	113		5,568	2,199	3,368	90% satisfactory	147	94	155
	Parks and Reserves	1.42% to 5%	229	1,634	4,797	2,416	4,015	90% satisfactory	140	70	247
	Caravan Parks/Camp Grounds	1.42% to 5%	323	6,545	7,788	1,339	12,994	90% satisfactory	426	213	43
	Bus Shelters	1.42% to 5%	20		561	133	428	90% satisfactory	13	6	30
	Other Structures	1.42% to 5%	2	53		23	30	90% satisfactory	2	1	-
	Sub Total		**2,137**	**15,402**	**106,253**	**34,919**	**86,736**	**88% Satisfactory**	**4,027**	**1,689**	**973**

Special Schedule No. 7 - Condition of Public Works

as at 30 June 2009

$'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	1.00%	569	63,377		21,548	41,829	Roads without kerb and gutter considered unsatisfactory ($21.79M to bring to standard) and to bring segments of road in poor condition up to standard (another $0.5M) with 96% of remaining roads satisfactory	22,383	556	228
	Sealed Roads Structure Rural	1.00%	344	35,190		12,181	23,010	99% satisfactory	316	226	149
	Sealed Roads Structure Regional	1.00%	103	10,541		4,137	6,405	98% satisfactory.	220	110	75
	Sealed Roads Surface Urban	1.00%	173	21,351		11,116	10,235	96% satisfactory	1,634	2,216	1,295
	Sealed Roads Surface Rural	1.00%	101	10,446		6,278	4,168	99% satisfactory	34	829	845
	Sealed Roads Surface Regional	1.00%	34	3,418		2,138	1,280	98% satisfactory.	14	494	425
	Sealed Roads Sub total		**1,323**	**144,324**	**0**	**57,398**	**86,926**		**24,601**	**4,431**	**3,017**
	Unsealed Roads	1.00%	606	61,208		33,909	27,299	60% satisfactory	5,932	580	1,396
	Carparks	1.00%	23	2,742		162	2,580	91% Satisfactory	127	115	102
	Footpaths	2.00%	113	9,401		1,515	7,886	95% satisfactory	244	101	115
	Cycleways	2.00%	45	4,084		323	3,761	98% Satisfactory	155	47	52
	Kerb & Gutter	1.42%	453	32,136		6,791	25,345	Satisfactory	Note 4	Note 4	Note 4
	Road Furniture	1.00%	14	2,438		491	1,947	83% Satisfactory	260	35	293
	Sub Total		**2,576**	**256,333**	**0**	**100,588**	**155,744**	**62% Satisfactory**	**31,320**	**5,309**	**4,975**

Eurobodalla Shire Council

Special Schedule No. 7 - Condition of Public Works

as at 30 June 2009

$'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	1.3%	94	7,853		5,711	2,141	58% satisfactory	700	78	169
	Bridges - Concrete	1.3%	129	10,738		3,223	7,515	92% satisfactory	423	22	9
	Culverts	1.7%	11	1,011		96	916	100% satisfactory	0	22	9
	Sub Total		**235**	**19,602**	**0**	**9,030**	**10,572**	**84% satisfactory**	**1,123**	**122**	**187**
	* 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%	10	1,028		347	682	16% good, 68% satisfactory, 16% poor	300	24	20
	Wharves	3.33%	2	222		198	24	67% good, 33% satisfactory, 0% poor (also 1 Closed)	220	41	8
	Jetties	3.33%	22	1,057		755	302	25% good, 75% satisfactory, 0% poor	55	21	44
	Pontoons	2%-5%	2	134		21	114	Satisfactory	0	0	3
	Rock Walls	1%	47	4,847		1,385	3,462	Satisfactory	0	30	0
	Sub Total		**83**	**7,290**	**0**	**2,705**	**4,584**	**94% Satisfactory**	**575**	**116**	**75**
Water	Reservoirs	1%-4%	601		31,804	8,943	22,860	99% satisfactory condition.	12	99	81
	Dams	1.00%	323		21,221	5,082	16,139	Satisfactory condition.	-	15	9
	Telemetry	5%-14%	66		584	261	323	94% satisfactory condition.	36	104	
	Pipeline	1.25%-4%	3,420		158,563	55,645	102,918	96% satisfactory condition.	6,370	827	726
	Pump Stations	2%-10%	199		4,627	3,357	1,269	56% satisfactory condition.	1,965	149	126
	Sub Total		**4,608**		**216,798**	**73,288**	**143,509**	**93% Satisfactory**	**8,383**	**1,194**	**942**

Special Schedule No. 7 - Condition of Public Works

as at 30 June 2009

$'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	1.42%-10%	1,066		37,005	13,949	23,056	90% satisfactory condition.	3,704	578	422
	Pipeline	1.42%	2,083		101,351	27,848	73,503	95% satisfactory condition.	479	150	257
	Treatment Works	2.00%	3,150		103,095	49,880	53,215	Satisfactory condition.	-	277	288
	Telemetry	10%-25%	142		1,248	888	360	75% satisfactory condition.	329	115	0
	Sub Total		**6,441**		**242,699**	**92,564**	**150,135**	**96% Satisfactory**	**4,512**	**1,120**	**967**
Drainage	Drainage roads	1% to 3.33%	36	4,231	-	104	4,127	80-85% satisfactory, 10-15% poor and 5% very poor.	800	60	36
	Drainage works	1% to 3.33%	496	35,158	-	11,629	23,529	80-85% satisfactory, 10-15% poor and 5% very poor.	1,800	115	232
	Sub Total		**532**	**39,389**	**-**	**11,732**	**27,656**	**80-85% satisfactory, 10-15% poor and 5% very poor.**	**2,600**	**175**	**268**
Waste Assets	Landfill Assets	1% to 70%	251	5,192		2,506	2,686	Satisfactory	20	1,000	931
	Recycling Assets	10% to 20%	5	160		91	69	Satisfactory	110	195	-
	Sub Total		**257**	**5,352**	**-**	**2,598**	**2,755**	**97% Satisfactory**	**130**	**1,195**	**931**
Total - Classes	**Total - All Assets**		**16,869**	**343,367**	**565,750**	**327,426**	**581,691**		**52,670**	**10,920**	**9,318**

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

Special Schedule No. 7 - Condition of Public Works
as at 30 June 2009

Commentary

Overview

Council is the manager of significant assets. It manages infrastructure assets worth $909 million (written down value $581 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.

Councils' water, sewer and building assets were revalued in 2007/08. Significant work was undertaken this year to progress toward revaluation of transport assets. Over the coming 12 months the following assets will also be revalued: roads, bridges, drainage, waterway assets and residual structures.

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 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 Transport Asset Management Plan. There is a significant need to extend this philosophy to the management of our existing and new assets.

This integrated approached has been defined as creating "linkages between levels of service, asset condition, asset replacement and budgetary provisions."

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; or the undertaking of intervention strategies when most opportune from a financial and length of service perspective.

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.

In conjunction with this, Council has commenced the process of developing a Total Asset Management System.

To assist with determining the appropriate management strategies and programs for works, 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)
- Buildings
- Stormwater
- Water & Sewer
- Recreation; and
- Waterways

These Asset Management Plans will be supplemented by Strategic Plans and priority lists which will identify new assets to be provided and which assets are should be upgraded to provide an increased level of service.

Strategic Plans and priority lists have been already been developed for the road network; bridges; footpaths; cycleways; public halls; wharves, jetties and boat ramps; skateparks; toilets; drainage; water; waste water; and waste. A plan is currently being prepared for active recreation assets.

To assist in the monitoring of our assets, a number of databases have been developed to record and monitor the condition of individual assets. These databases are integrated into the relevant strategies.

A series of factors are used in the calculation of priorities for improvement works, through a weighting system. These factors include traffic volumes or pressure loads; development demand; physical condition & age of the asset; vulnerability to flooding, environment or drainage problems; its complaint, safety or failure record; and its importance in the network hierarchy.

That 'score' determines whether the infrastructure assets are classified as 'poor', 'satisfactory', or 'good'. The score may not mean the condition of the road or pipe is poor, rather that the level of service it provides is less than desired. 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.

Each of the following sections indicates the level of service desired of relevant assets.

- Buildings & structures
- Roads
- Bridges
- Footpaths & Cycleways
- Waterways
- Drainage
- Water
- Sewer
- Waste

Eurobodalla Shire Council

Special Schedule No. 7 - Condition of Public Works
as at 30 June 2009

Commentary

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.

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 has begun to 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 $122.4M.

Amongst the buildings and facilities Council is responsible for are:

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; SES, Coastal Patrol, VRA.
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	12 Sporting complexes with amenities/meeting rooms/etc; Moruya Racecourse; Active sporting facilities incuding racecourse, showground, sporting venues, tennis, basketball, skateparks 4 Surf Lifesaving club buildings
Swimming Pool Centres	3 aquatic centres
Public Toilets	70 toilet blocks not associated with other buildings in parks, reserves, CBD, boatramps (NB Botanic Gardens, Water Gardens and sporting facility toilets listed in respective areas) 25 toilets incorporated into another building
Parks & Reserves	Recreational reserve facilities such as Botanic Gardens, Water Gardens, parks, playgrounds. Included are structures and facilities such as shelters, barbeques, tracks, platforms
Caravan Parks/Camp Grounds	1 Caravan park, 3 Camping grounds
Bus shelters	57 bus shelters
Other Structures	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.

Significant Upgrades

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

- Refurbishment of the toilet block at Evans St, Tuross Head and the facility at North Head Camping ground
- Construction of a new toilet facility at Riverside Park, Moruya
- Reconstruction of the existing shelter at Corrigans Reserve and the provision of a new shelter
- New shelters and structures at Batemans Bay foreshore
- Extension of Narooma Community Centre to provide facilities for Eurobodalla Meals On Wheels
- Provision of 3 additional bus shelters

Condition at 30/06/09

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 an in excess of 150 buildings have been assessed to date.

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

Table 1: BUILDING CONDITION RATING

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

Eurobodalla Shire Council

Special Schedule No. 7 - Condition of Public Works
as at 30 June 2009

Commentary

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.

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.

In the case of the Swimming Centres, it is estimated that 15% of the aquatic facilities are considered at Grade 4 standard.

Based on the above formulae, it is estimated that the total cost to bring those unsatisfactory assets to a satisfactory standard is $4.1M.

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 bring the buildings/structures to satisfactory standard. It is estimated that $3.6M is required each year for renewal of assets.

With the adoption of an Asset Management plan, the life cycle costs for the assets will be determined more accurately. It is calculated that $2.05M pa will be required for the replacement of assets.

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 $1.7M pa.

Renewals / Maintenance Program 2008/09

Council expenditure on buildings and other structures for the past year was $951,000. This is the actual maintenance expense for 2008/09. Council also spent $648,000 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

Special Schedule No. 7 - Condition of Public Works
as at 30 June 2009

Commentary

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 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 road asset database. A revised database has been developed, based on more accurate segment data.

One of the outcomes of this was a revised quantity of road assets. This has significant implications for future financial management of the assets. The variations are identified in the following table:

	2007/08		2008/09	
	Length	Area		Length
Sealed	482		Sealed	482
Urban	295	2,303,200	Urban	295
Rural	187	1,206,454	Rural	187
Unsealed	452		Unsealed	452
Urban		36,682	Urban	
Rural		1,928,088	Rural	
Regional	56	486,165	Regional	56

In addition to this revision to the total road length, Council acquired 3.6km of new road through subdivision.

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. An initial survey of the sealed road network had been undertaken in 1994, with the results shown below (Figure 2).

Fig 1: Sealed Road Condition Profile 2007

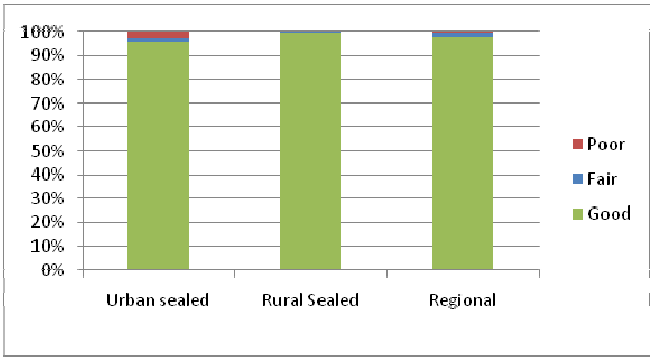


Fig 2: Condition of Roads (1994)

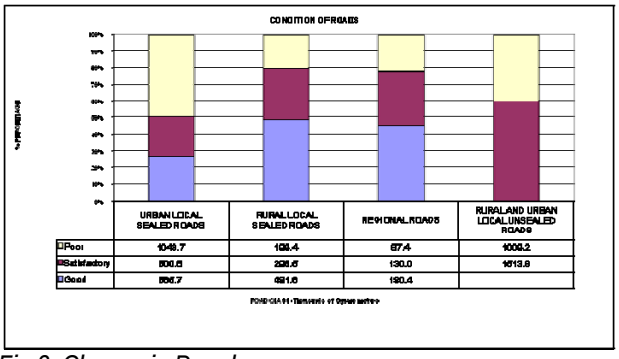
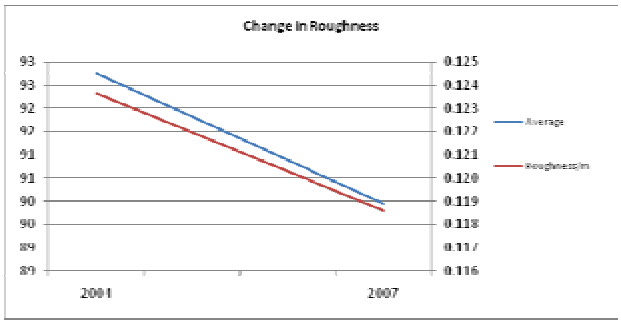


Fig 3: Change in Roughness



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. The results obtained from the 2007 survey are indicated below in Figure 1.

Eurobodalla Shire Council

Special Schedule No. 7 - Condition of Public Works
as at 30 June 2009

Commentary

Due to the difference in the collection methods and the categorisation, it is not possible to undertake a direct comparison between the surveys. To assist in the understanding of the change in the characteristics of the local roads, a comparison of the roughness of the roads was undertaken. The results of this are indicated in Figure 3.

In respect of the unsealed network no surveys were undertaken, rather the percentages in each category were assumed.

Local Roads

Data

Council has under its care and control some 513 km of sealed road and 430 km of unsealed road. These currently have a written down value of $139.6 million. In addition, Council is also responsible for $16.2 million of ancillary facilities that includes carparks, footpaths, shared paths and street furniture.

As identified above, 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.

Since 1996, the area of unsealed local road has decreased by 3,670 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 by120,667 sq m.

Whilst a concerted indentation into the backlog of roads requiring upgrading has been made in recent years, there is still some 6% of urban road edges without kerb and gutter and 24km or 7% of urban roads unsealed.

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

Significant Works

During the year, Council undertook the following projects:

- Completion of the construction of George Bass Drive from Sunshine Bay Road to Beach Road including the relocation of the George Bass Drive and Surf Beach Ave (now known as Tallgums Way) intersection
- Rehabilitation of George Bass Drive between Glenella Rd and Sunshine Bay Road
- Realignment of the Beach Road and Glenella Road intersection
- Reconstruction of Joseph St, Batehaven
- Completion of the reconstruction of Dunns Creek Road
- Commencement of the realignment and raising of South Head Road between Congo Road and Halyard Dr
- Commenced the reconstruction of Charles Moffit Drive, South Head
- Rehabilitation of Campbell St, Moruya between Vulcan St and Page St
- Rehabilitation of sections of Eurobodalla Road, Bodalla
- Completion of the upgrading/reconstruction of Bondi and Foam Streets, Tuross Head
- Reconstruction of Haddrill Parade, (part)William Street and Ocean Parade, Dalmeny
- Resealed km of sealed roads
- Resheeted 22.6km 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 2008/09 dust seals were primarily undertaken on the approaches to causeways, in particular along Araluen Road. 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 30/06/09

As identified above, there are still some 25.6% of roads in urban areas that are below an acceptable construction standard whilst a further 12.7km are unsealed.

The condition survey undertaken in 2007, identified that 96% of our sealed road network can be classified as good, according the adopted classification in the SMEC Pavement Management System, with only 2% as poor.

Whilst there has been a noticeable increase in the amount of road constructed within the last 10 years, a significant portion of our network 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.

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 99.7km of the urban road network that does not have full kerb and guttering and have been identified as requiring

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"upgrading", it has been calculated the cost of upgrading these roads will be in the order of $75.0 million. Of these roads, 46.6 km 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 $37.5M 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 $2.95 and $45.00 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 graphs, 29% 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 $24.0 million.

Rural sealed local roads

As can be seen from Figure 1, 1% of the rural sealed network was assessed as being in poor condition.

The work required to bring this 1% up to a satisfactory condition is rehabilitation at a cost of $30 per m^2. This work will provide for pavement strengthening and increased seal width. The cost to achieve a satisfactory road standard is estimated to be $0.35 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 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 $45.00 per m^2 whilst for a rural road it is estimated that it will cost $30 per m^2. Based on the overall area of the network, to adequately renew the network Council should be expending $1.75 million per annum on renewal of its urban road assets and $0.8 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 $1.2 million in resheeting each year.

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 $2.95 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 $45 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	$ 650,168
Rehabilitation	$ 595,069
Routine maintenance	$ 1,526,895
Total	$ 2,772,133

Rural sealed local roads

To maintain the rural sealed network in a satisfactory condition it is necessary to reseal it every 12 years at a unit rate of $2.75 per m^2. As a road has a design life of 40 years it will also be necessary to provide for rehabilitation at a rate of 2.5% of the network per year at a unit cost of $30 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 $30 per m^2.

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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	$ 409,945
Rehabilitation	$ 250,136
Routine maintenance	$ 394,864
Total	$ 1,054,945

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 $580,230 per annum should be provided to maintain this standard.

Renewals / Maintenance Program 2008/09

Refer to the summary table for the actual expenditures for 2008/09.

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

The identified Regional Roads are:

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

Condition at 30/06/09

As with Council's local roads, a detailed road survey was undertaken during 2007/08. Based on the SMEC rating, 98% of our regional roads are 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 $45.00 per m^2. This work will provide for pavement strengthening and increased seal width in those rural areas. This would require an expenditure of $0.2 million.

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 $45 per m^2. This equates to $0.6 million per annum.

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 $2.75 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 $45.00 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	$ 204,663
Rehabilitation	$ 117,216
Routine maintenance	$ 281,970
Total	$ 603,850

Renewals / Maintenance Program 2008/09

Refer to the summary table for the actual expenditures for 2008/09.

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Bridges

Council manages the replacement, renewal and maintenance of 222 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 222 major assets. Of these 114 are bridges or major culverts.

These are detailed in the following table.

Table 7: Major bridges managed and maintained by Council

	Number	Length (m)
Concrete		
Urban	20	227.5
Non-urban	56	678.7
	76	906
Timber		
Non-urban	38	806.6
	38	807

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.

There are 62 causeways in the shire which form part of the road structure. For the purposes of this report, these are included in the value of the roads

Council is also responsible for 3 boardwalks and 11 footbridges in 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.

Significant Works

During 2008/09 Council undertook the following projects:

- Dunns Creek Road, completion of replacement of a timber bridge with a two lane concrete bridge
- Knowles Creek, completion of replacement of a timber bridge with a concrete structure
- River Road, Nelligen, causeway widening
- Kianga Creek bridge, extensive concrete repairs
- Underpass & Tally-Ho timber bridge replacements with concrete box culvert structures
- Punkally Bridge, replacement of timber substructures with concrete and renewal of timber superstructure completed
- Old Hall and Waterfall Creek, commenced replacement of timber bridges with concrete box culverts

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Condition at 30/06/09

A detailed assessment of the condition, lifecycle and maintenance costs of bridges was again 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 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.

Allowing for these replacements, the following assessment is made

Table 7: Condition Survey

Condition	Timber Bridges	Concrete Bridges	Culverts	Total
As New	6	12	43	61
Good	8	7		15
Fair	8	3	9	20
Poor	16	2		18
Total	38	24	52	114
% Satisfactory	58%	92%	100%	84%

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 2009 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 will 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.

The replacements will 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 24 concrete bridges are classified as poor or below at the last assessment. Repair of these bridges is planned for 2009/10.

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.

Culverts

The condition of the 9 timber beam culverts is considered satisfactory.

The remaining concrete culverts are also considered satisfactory.

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.

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

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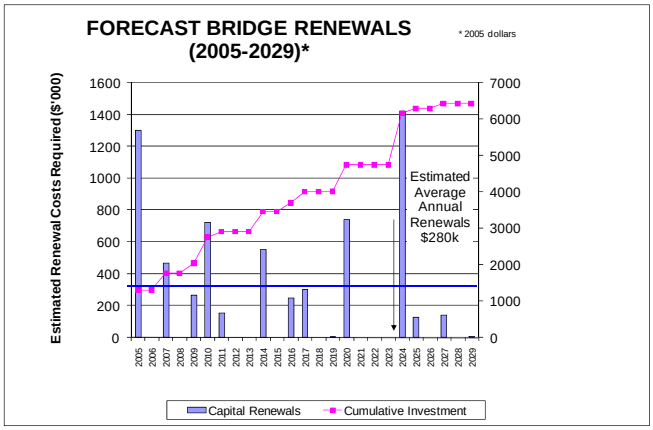
Chart 2 illustrates the 'expected' levels of investment required over the life of existing bridges that was calculated in 2008. The anticipated level of expenditure has not changed significantly.

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.

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 $108,000.

Renewals / Maintenance Program 2008/09

Council's expenditure on bridge renewals was $659,000.

Expenditure on maintenance for the past year was $187,000.

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 had a Footpath Strategy and a Bike Plan prepared in 1999. These have been reviewed and a new Shared Path Strategy developed. The review combines the two previous documents into one co-ordinated document that address such areas as networks, safety, etc. This document will address the needs of the Shire and identify works to be undertaken in both the short and long-term. 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 assist in the provision of an integrated network, in it's Development Specification, Council has adopted a requirement that a footpath be provided along one side of all new roads and all linkages be concreted.

It is 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. Whilst Council is attempting to provide as much of the route through the Shire as possible, Council's main focus recently for these funds has been the Kianga-Dalmeny Cycleway.

It was calculated the cost of constructing all the outstanding footpaths, as identified in the previous Footpath Strategy, would be $2,500,000, whilst for cycleways it was calculated at $1,940,000. With the current review of the strategies, it is anticipated that revised estimates will be available during the forthcoming year.

Data

Council's register of assets indicates that it is responsible for 59.3km of footpaths within the Shire. Council, developers and the

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community have constructed these over a number of years from a variety of materials, to differing standards and of varying widths. Council is also responsible for 27.9km of cycleways and shared paths.

Due to the different widths of the components of the network, the total area of footpaths and cycleways that Council is responsible for is 178,698 sq m.

Significant Works

During the year, Council continued to contribute to the shared pathways at Tuross Head, South Head and Dalmeny/Kianga that are being constructed by the local community. The Dalmeny to Kianga Path has continued to be the significant focus for the year with approximately 6km of the 7.2km pathway completed.

In respect of other routes, Council continued to develop the Broulee Cyclepath. At the end of the year, the path has been completed from Heath Street to Candalagan Creek. As well, Council undertook the replacement of bitumen sections of the Batemans Bay Cyclepath at Hanging Rock with concrete.

Condition at 30/06/09

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 $)

Footpaths
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 $0.24M.

Cycleways
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 cycleways up to a satisfactory standard. Based on 2% of the total area of the network, it is estimated that the total cost will be in the order of $0.18M

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 below.

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.

Footpaths
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 or every 40 years where the surface is asphalt. This would be done with an asphalt overlay, as with roads, at a unit cost of $46.00 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	$ 318,681
Resurfacing	$ 9,176
Routine maintenance	$ 100,743
Total	$ 428,600

Cycleways
Generally, cycleways are constructed from concrete and, as with concrete footpaths, they are not designed for a particular life expectancy. As identified in the previous section, renewal is done by the replacement of sections that have failed rather than whole routes or sections. For the purposes of this report, it is assumed that 2.5% of the network will be replaced every year, as with footpaths. The unit rate adopted for this work is $150.00 per m^2.

To maintain the sealed part of the network in a satisfactory condition it is necessary to either reseal it every 12 years at a unit

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rate of $12.5 per m^2 where the surface is a flush seal or every 40 years where it is an asphalt pavement, at a unit cost of $45.00 per m^2.

Routine maintenance also needs to be carried out. A unit cost of $1,700 per km has been used.

Table 10: Required Funding for Cycleways

Reconstruction	$ 172,560
Resurfacing	$ 14,149
Routine maintenance	$ 47,393
Total	$ 234,102

Renewals / Maintenance Program 2008/09

Refer to the summary table for the actual expenditures for 2008/09.

Carparking

Council is endeavouring to provide an integrated transport network in conjunction with the road network, Council provides car parking facilities within the main population centres as well as 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 196,038 sq. m of sealed carparks and 34,398 sq. m of unsealed carparks. Together these provide 5,433 carparking spaces. These currently have a written down value of $2.5 million.

Significant Works

During the year, Council undertook the redevelopment of the foreshore areas of Batemans Bay, removing a significant amount of carparking east of the bridge. This has been replaced with increased carparking west of the bridge which was developed during 2007/08.

Other works included:

- Reconstruction of the carparking in Corrigans Reserve
- Upgrading and redevelopment of the carparking bounded by Church, Ford and Queen Streets, Moruya

Condition at 30/06/09

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 $2.86 and $17.5 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 $24,000.

The work required to bring the unsealed network up to a satisfactory condition is resheeting at a cost of $7.50 per square meter which would require expenditure of $103,000 to achieve.

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. 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, 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 $45.00 per m^2. Based on the overall area of the network, to adequately renew the network Council should be expending $220,000 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 $21,500 in resheeting each year.

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 $2.95 per m^2).

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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 $45 per m^2.

Routine maintenance also needs to be carried out.

It is estimated that maintenance funding of $480,000 would be required to maintain the network at a satisfactory standard.

Unsealed carparks

To maintain the unsealed 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 $601,729 per annum should be provided to maintain this standard.

Renewals / Maintenance Program 2008/09

Refer to the summary table for the actual expenditures for 2008/09.

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 redevelopment of the existing ramps on the western bank of the Clyde River at Nelligen was completed. Work was also commenced on the upgrading of the existing ramps on the eastern side of the river.

Upgrading and renewal work was done on the ocean ramps at Cookies Beach (Durras) and Cresswick Cove (Dalmeny).

Condition at 30/06/09

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.

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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 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.

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 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.

Renewals / Maintenance Program 2008/09

Council expenditure on the maintenance of its boat ramps, wharves, jetties and pontoons for the past year was $75,000. 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 $209,000).

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

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Water Assets

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

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 investigating the purchase of a new Asset Management System. Future maintenance strategies will be reassessed and will then align with the newly developed system.

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 (ICWMS). 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 may have some impact on the total water used from rainwater tanks, as the state government requirements can lead to 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 ICWMS has identified a new water treatment plant in the north and south of the shire is required in the future to provide security of supply if 80/30 environmental flow protection is adopted.

The IWCMS has 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 upgrade to Moruya River and Tuross pumping stations has been included in the capital works program.

This upgrading of storage capacity will incur the cost of demand management initiatives estimated at $400,000 per annum in addition to the new treatment plants.

The estimated capital cost of pipeline and pump station upgrades to provide security of supply is approximately $28.35M. This upgrade however, also includes system delivery capacity to cater for future growth in population, and therefore the cost of this work will be met as required from developer contributions in accordance with State Government Best Practice Guidelines.

1. Headworks storage system (dam/reservoirs)

Data

Council has 1 dam, 2 weirs and 38 concrete/steel reservoirs. It is estimated that they have a current replacement cost of $52.6M.

Condition at 30/06/09

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 $)

No works have been identified as being required.

The need to upgrade the headworks storage system to bring to satisfactory condition is identified as $12,000.

Estimate Annual Capital Renewals / Replacements

It is estimated that an average of $385,000 pa is required in capital renewals expenditure for reservoirs and $206,000 per annum for dams.

Estimate of cost to maintain at that standard

The estimated cost of maintaining the headworks storage system at current condition is $104,000 pa ($99,000 for reservoirs and $15,000 for dams).

Renewals / Maintenance Program 2008/09

Renewals / maintenance costs for the reservoirs was $81,000 in 2008/09. Renewal maintenance costs for the dam and weirs was $9,000 in 2008/09.

2. 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 telemetry system 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 $584,000

Condition at 30/06/09

The system appears to be working satisfactorily. Given the critical nature of components, it is assumed that 5% of the components

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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 $36,000 is required to be spent to ensure the satisfactory performance of the system.

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 $73,000 pa.

Estimate of cost to maintain at that standard

The estimated cost of maintaining the telemetry system at its current condition is $104,000 pa.

Renewals / Maintenance Program 2008/09

In 2008/09 renewals / maintenance expenditure on the water telemetry system was Nil.

3. Water delivery system (pump stations / pipelines)

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

Data

Council has 13 water pump stations and approximately 890 kilometres of pipelines with a current replacement cost of $4.5M for the pump stations and $159M for the pipelines.

The pump station assets are up to 42 years old. They have an estimated average age of 24 years.

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 pipeline

Condition at 30/06/09

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 $6.5M 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 Annual Capital Renewals / Replacements

The current age and condition of the existing facilities indicates an average of $1,924,000 pa is required to renew and replace pipelines as well as $243,000 pa on pump stations.

Estimate of cost to maintain at that standard

It is estimated that Council needs to spend $827,000 pa on pipeline maintenance. This includes all trunk mains, reticulation mains, bulk flow meters, motorized valves and service connections.

It is estimated that $149,000 pa is required for pump station maintenance, including telemetry equipment. The pipeline maintenance figure includes flushing and scouring of mains to maintain water quality.

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.

Renewals / Maintenance Program 2008/09

In 2008/09, $1,296,000 was spent on renewal and $726,000 on maintenance of all water supply pipelines.

As well, $44,000 was spent on renewals and $126,000 on maintenance of all water supply pump stations.

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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.

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.

1. 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 approximately 520km of sewer mains having a current replacement cost of $101.4M.

Significant Works

During the year Council undertook a range of works including:

- Provision of an effluent reuse line from the Surf Beach Treatment Plant to Catalina Country Club and Hanging Rock Sporting facility
- Installation of holding facilities and irrigation system for Hanging Rock Sports area to enable the use of recycled effluent

Condition at 30/06/09

No overall condition data exists for the network. Due to the significant environmental impacts of failure of the system, remedial 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 $479,000.

Estimate Annual Capital Renewals / Replacements

Financial modelling and condition assessments indicate that assets should be replaced/renewed at an average rate of approximately $1.2M pa.

Estimate of cost to maintain at that standard

It is estimated that Council needs to spend approximately $150,000 per annum to maintain the sewer transport network at the current standard.

Renewals / Maintenance Program 2008/09

Renewal costs for the sewerage transport system in 2008/09 was $464,000 and $257,000 for maintenance.

2. Sewage pump stations.

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.

An increasing frequency of surcharges in the sewerage systems entering estuarine waterways impacting on aquaculture and public amenity has been addressed 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.

Major critical pump stations in Batemans Bay were upgraded over the last few years to improve the reliability of key sites.

Further major upgrading works will be implemented as part of Council's Integrated Water Cycle Management Strategy implementation. An estimated $16.8M will be required to provide facilities to meet the current standards. This includes $ 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).

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Data

Council currently operates 126 pump stations which are up to 38 years old with a current replacement cost of $37M.

Condition at 30/06/09

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 $3.7M will be required to bring all relevant assets to an acceptable level.

Estimate Annual Capital Renewals / Replacements

Financial modelling and condition assessments indicate that assets should be replaced/renewed at an average rate of approximately $954,000 pa.

Estimate of cost to maintain at that standard

It is estimated that Council needs to spend approximately $578,000 on maintenance to maintain the pumping system at the current standard.

Renewals / Maintenance Program 2008/09

Renewal costs for the pumping system in 2008/09 were $74,000 and $422,000 for maintenance.

3. Sewage Treatment System

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

Data

Council operates 5 sewage treatment plants, with a current replacement cost of $103M.

Significant Works

During the year Council undertook a range of works including:

- Provision of an effluent reuse line from the Surf Beach Treatment Plant to Catalina Country Club and Hanging Rock Sporting facility
- Installation of holding facilities and irrigation system for Hanging Rock Sports area to enable the use of recycled effluent
- New drying beds at Surf beach and Tomakin Sewer Treatment Plants

Condition at 30/06/09

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 Annual Capital Renewals / Replacements

Financial modelling and preliminary condition assessments indicate that Council should be replacing treatment plant equipment at an average rate of $1,999,000 pa.

Estimate of cost to maintain at that standard

It is estimated that Council needs to spend approximately $277,000 on maintenance to its plants and the associated equipment.

Renewals / Maintenance Program 2008/09

Renewal costs for the sewerage treatment system in 2008/09 was $18,000 and $288,000 for maintenance.

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4. Sewage Telemetry System

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.

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 $1.3M.

Condition at 30/06/09

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 required replacement due to age or deterioration. This is estimated at $0.3M.

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 $212,000 pa.

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 $115,000 pa.

Renewals / Maintenance Program 2008/09

Renewals / maintenance expenditure on the telemetry system for 2008/09 was Nil.

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 has 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.

Data

It is recognised that Council does not hold information on all the stormwater assets within the Shire. To enable the preparation of a Asset Management Plan, a WAE data collection program has been commenced.

This program actually commenced in the late 1990's when it was recognised that, due in part to the rapid development of the Shire in the 1970's, Council often has little detailed records of it stormwater assets.

To date, Council has recorded 138.5km of stormwater pipes and 6576 structures across Shire. Indications are that we have only collected 75% of the stormwater assets. It is estimated that, together with an increasing number of Gross Pollutant Traps and other stormwater quality control structures, they have an estimated replacement value of approximately $52m.

Significant Works

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

- Bavarde Ave, Batemans Bay
- Flinders Way, Surf Beach
- Cook Crescent, Surf Beach

2008/09 saw the continuing collection of WAE and condition data. To date it is estimated that 75% of the network data has been recorded in some form. It is anticipated that this project will be completed by December 2009.

Condition at 30/06/09

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.

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 $0.8M and $1.8M to attend to those elements rated as extreme and poor respectively can be anticipated (i.e. a total restoration cost of $2.6M).

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 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 $0.7M per annum for drainage replacement.

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 $175,100 would be required to maintain these assets.

Renewals / Maintenance Program 2008/09

$153,000 was spent on renewals and $268,000 on maintaining the stormwater drainage system in 2008/09.

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Waste System

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

1. Landfill and Transfer Station Assets

Council owns and operates 2 landfill facilities under licences issued by the EPA. They are operated in accordance with the 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.

The maintenance of this standard means that improvements are continually being undertaken on 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.

The current life expectancy for the two landfills is in excess of 8 years. All landfill facilities have a limited life and will require eventual replacement or alternative solutions found. 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.

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. As well, Council operates a transfer station, incorporating recycling drop-off facilities at Moruya.

Significant Works

During the year a number of initiatives were undertaken:

- Security Systems were upgraded for both landfill sites to reduce Council's exposure to risk.
- Plant items were purchased to provide optimum operational results, including a garbage compactor which will assist in extending the life of the landfill at Brou.
- A Flora and Fauna Study to support "Stage 2" of the Surf Beach Landfill was completed.
- Upgrading of facilities i.e. lunch/training room were provided for Brou.

Condition at 30/06/09

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 cost of a fence at Surf Beach is estimated at $20,000.

Estimate Annual Capital Renewals / Replacements

Capital expenditure is required for ongoing rehabilitation as landfill sites are filled. This is currently estimated at $160,000 per annum for Council's sites.

Landfills are operating satisfactorily to meet the requirements of the EPA licence agreement.

Additional drainage and leachate works are to continue at Surf Beach to cater for the extension of the existing cell. Staged rehabilitation of both landfills is proposed over future years in accordance with the Landfill Environmental Management Plan for each site. The sites have a life of approximately 8 years at the current landfill rate. The introduction of the "Tana" compactors at each of the landfill sites will contribute to the extension of life of each site. Additional services such as security cameras have been installed at Surfbeach and Brou Waste Management Facilities and to improve security and operations.

As noted above, the landfill facilities will require eventual replacement. An allowance of $250,000 needs to be provided to undertake investigations into alternate waste technology or alternative sites and replacement of the current facility.

Estimate of cost to maintain at that standard

It is estimated that it costs approximately $1,060,000 pa to maintain these assets to the current standard.

Renewals / Maintenance Program 2008/09

Approximately $930,000 was spent on operational maintenance during 2008/09.

2. Recycling Assets

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. Additional infrastructure is required to further support the operation if this is to be continued in the medium to long term.

The estimated cost to upgrade the existing recycling facilities to a standard to meet increased demands and expectations is $110,000.

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.

Eurobodalla Shire Council

Special Schedule No. 7 - Condition of Public Works
as at 30 June 2009

Commentary

Data

Council owns six recycling buildings, two storage compounds, two recycling platforms and 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

Planning of the "Community Drop-Off" area at Surf Beach has commenced with construction to be finalised early 2009/10. This area will provide a resource recovery focus.

Condition at 30/06/09

The facilities are considered to be in a satisfactory condition.

Estimated Cost to bring to satisfactory standard (Current $)

No works have been identified as being required.

Estimate Annual Capital Renewals / Replacements

It is anticipated that future recycling operations will intensify as opportunities are identified e.g. E-Waste recycling. It is anticipated E-Waste recycling will be introduced in 2009/10. The costs will be operational with a minor capital expenditure for containers to collect the items for transportation. The recycling of green waste has been embraced by the Community. The current processing methods do not rely on capital outlay to support the operation.

Estimate of cost to maintain at that standard

The estimated cost to maintain and operate the existing recycling facilities is approximately $156,000. The estimate for the maintenance of the green waste recycling component is $70,000.

Renewals / Maintenance Program 2008/09

The cost to maintain and operate the recycling facilities for 2008/09 was approximately $213,000.

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 2009

$'000	Actual [1] 08/09	Forecast 09/10	Forecast 10/11	Forecast[2] 11/12	Forecast[2] 12/13
(i) RECURRENT BUDGET					
Income from continuing operations	93,503	78,346	77,260	77,971	78,625
Expenses from continuing operations	74,195	80,857	78,615	80,421	81,525
Operating Result from Continuing Operations	**19,308**	**(2,511)**	**(1,355)**	**(2,450)**	**(2,900)**
(ii) CAPITAL BUDGET					
New works & Replacement for existing assets	39,700	60,872	41,893	33,666	23,580
Total Capital Budget	**39,700**	**60,872**	**41,893**	**33,666**	**23,580**
Funded by:					
– Loans	10,000	23,893	18,830	17,565	5,355
– Asset sales	1,700	4,546	1,100	1,100	1,100
– Grants/Contributions	18,416	13,084	9,700	3,160	3,096
– Recurrent revenue	9,584	19,349	12,263	11,841	14,029
– Other	-	-	-	-	-
	39,700	**60,872**	**41,893**	**33,666**	**23,580**

Notes:

(1) From 08/09 Income Statement.

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