



## Notice of Facilities Committee Meeting

Notice is hereby given that a Facilities Committee Meeting` will be held in the Ballina Shire Council Chambers, 40 Cherry Street Ballina on **Tuesday 19 November 2013 commencing at 4.00 pm.**

### Business

1. Apologies
2. Declarations of Interest
3. Deputations
4. Committee Reports

A handwritten signature in black ink, appearing to read 'Paul Hickey', with a long horizontal line underneath.

Paul Hickey  
**General Manager**

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1. Apologies
  2. Declarations of Interest
  3. Deputations
- 

**1. Apologies**

**2. Declarations of Interest**

**3. Deputations**

## **4.1 Ballina Surf Club - Fees and Charges Amendments**

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### **4. Committee Reports**

#### **4.1 Ballina Surf Club - Fees and Charges Amendments**

**Delivery Program** Community Facilities and Services

**Objective** To consider an amendment to the fees and charges for the Ballina Surf Club function rooms.

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#### **Background**

The Ballina Surf Club function rooms have been taking bookings since the beginning of the new financial year. Since this time a number of wedding functions have taken place that have generated operational issues that staff are looking to address. It has also been determined that amendments are warranted to the fees and charges.

This report outlines these suggested changes and advocates for their implementation.

#### **Key Issues**

- Adequacy of the adopted fees

#### **Information**

Currently, the fees and charges for the Surf Club allow users to hire in hourly, half daily and daily blocks of time. A trend has emerged of wedding functions booking the full day on a Saturday, but then adding a few hours on the Friday night to set up and a few hours on the Sunday morning to come back and tidy up and clean, rather than undertake the cleaning at the conclusion of their event.

This practice makes it difficult for any other booking to be made on the Sunday and can impact on Council's contracted cleaning schedule, as the cleaners still need to service the rooms after every booking.

Whilst it has been possible to accommodate some flexibility during this quiet initial period, it will be important to maximise capacity moving forward; particularly once the café begins operations in December.

There needs to be clearly defined parameters that will ensure fairness and consistency for all users, and ensure that when functions occur on both days of the weekend that Sunday users are treated equally and are able to access the same experience that a Saturday user currently enjoys.

## 4.1 Ballina Surf Club - Fees and Charges Amendments

In order to do this it is proposed to implement some new hiring arrangements and booking options that are designed to give customers clearly defined choices, whilst ultimately providing Council with either maximum capacity or maximum income within peak periods. Adjustments are also suggested to reduce the range of hire period options and to increase some prices to better reflect the value of the bookings.

Separate to the solutions to the private function situation during peak periods (which are outlined further below), another initiative is also suggested to help increase usage during the quieter off peak days.

### Recreational Hire Rate

A 'Per Person Recreational Hire' rate of \$10 per adult and \$5 per child is suggested to be introduced during Off Peak periods only. This charge type was introduced at the Lennox Head Cultural and Community Centre, at the beginning of this financial year, to assist in the establishment of classes such as exercise, meditation, yoga, dance and movement on the back of the existing casual per person sports rates that had been in place since the first year of operation. The revised rate has been very successful to date.

The rate allows hirers conducting classes, such as those listed, to pay 'per person' (including the instructor) until such time as the class is large enough to support paying the full commercial hourly room charge. Historically, classes which fail to attract enough participants to cover the hourly room rate rarely continue for more than a month or two.

### Peak Period Amendments

For reference, the peak period hours are 5:00pm Friday to Midnight Sunday and the current peak period charges are:

<b>CURRENT PEAK CHARGES</b>	<b>Commercial/ Private Function</b>	<b>Community/ Not for Profit</b>
<b>Function Room 1</b>	\$80.00 p/hr* \$400.00 p/day	\$40.00 p/hr* \$200.00 p/day
<b>Function Room 2</b>	\$110.00 p/hr* \$550.00 p/day	\$65.00 p/hr* \$325.00 p/day
<b>Combined Function Rooms</b>	\$150.00 p/hr* \$450.00 half day \$700.00 full day	\$75.00 p/hr* \$250.00 half day \$350.00 full day
* minimum two hour booking		

As with all centres, the hire periods must be inclusive of all required set up and pack down times and the user is responsible to pack away all furniture and leave the venue clean and tidy at the end of their booking. Functions must cease by midnight, with an allowance for cleaning and pack down until 1:00am.

#### 4.1 Ballina Surf Club - Fees and Charges Amendments

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It is suggested that the following amendments be made:

- Hirers are not permitted to hire additional time on the morning following their booking to clean up or pack down. They must either hire the entire Sunday or ensure the centre is cleaned on the night of their event
- Hirers can elect to have all cleaning and pack down of furniture performed immediately after their event, by Council supplied cleaners, at an additional cost of \$350
- Where available, Saturday hirers can still elect to hire the function rooms to set up on a Friday night, incurring the listed charges as per any other booking; however separate Friday night bookings or functions will be given priority
- The Full Day rate for Community/Not for Profit be increased to better reflect the value of the hire
- Removal of all peak period hourly rates for Community/Not for Profit rates
- The addition of half day rates for individual room hire for Community/Not for Profit rates
- Removal of both the hourly and half day rates for Commercial/Private Function rates
- The addition of a new discount of 10% for hiring the combined function rooms for a two day Saturday and Sunday booking.

If adopted, the new peak period charges would be:

<b>AMENDED PEAK CHARGES</b>	<b>Commercial/ Private Function</b>	<b>Community/ Not for Profit</b>
<b>Function Room 1</b>	\$400.00 p/day	\$150.00 half day \$200.00 full day
<b>Function Room 2</b>	\$550.00 p/day	\$175.00 half day \$325.00 full day
<b>Combined Function Rooms</b>	\$700.00 full day	\$250.00 half day \$450.00 full day
<b>Combined / Weekend</b>	\$1260.00 Sat-Sun	\$810.00 Sat-Sun

This means that Commercial/Private Function hirers can elect to:

- Hire a full day and clean up after themselves on the night for \$700
- Hire a full day and have Council's contracted cleaners pack up and clean for them for \$1,050
- Hire both days to allow them to clean up themselves on Sunday for \$1,260
- Hire the Friday (the preceding evening) for an additional \$300 (minimum) if it is available.

## **4.1 Ballina Surf Club - Fees and Charges Amendments**

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This is likely to result in:

- More users electing to use our cleaners rather than come back on the Sunday, or pay a greater contribution to the loss that would otherwise be incurred by Council should they choose to; and
- This will free up the Sunday for a second booking – at the full rate – potentially increasing occupancy and income.

### **Legal / Resource / Financial Implications**

Proposed amendments to the fees and charges have financial implications in terms of possible increases to income. There are also expected benefits from increase in efficiency in the use of resources.

### **Consultation**

The amendments to the Fees and Charges document will be exhibited for public comment. Notice of the exhibition will be placed in the local paper and on Council's web site.

### **Options**

Council may resolve to amend the draft documents as recommended, alter the recommendations or make no changes to the Fees and Charges. The recommendation is to endorse the changes for the reasons outlined within this report.

### **RECOMMENDATION**

That the changes to Council's adopted Fees and Charges for the Ballina Surf Club, as outlined in this report, relating to the introduction of a recreation hire rate and alternative peak period hire rates, be exhibited for public comment. If no submissions are received, the revised charges will be taken to be adopted. If submissions are forthcoming, the matter will be reported to the Council for further consideration.

### **Attachment(s)**

Nil

## 4.2 Public Amenities - Improvement Program

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### 4.2 Public Amenities - Improvement Program

**Delivery Program** Operations Support

**Objective** To provide an achievable public amenity improvement program based on the funding allocated by Council.

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#### Background

The on-going improvement of Council's public amenities was included as a priority in the 2013/2014 – 2016/2017 Delivery Program, with a recurrent capital funding budget included for the first time in the long term financial plan. The purpose of this report is to confirm projects to be funded through this program.

#### Key Issues

- Amenity condition and available funding

#### Information

Council has always had a public amenities (toilets) maintenance program with funding provided on a recurrent basis. The actual expenditure in recent years, along with funding allocated for the next few years, is shown in the following table.

**Table One – Public Amenities Maintenance Funding**

<b>Expenditure Category</b>	<b>2010/11 Actual</b>	<b>2011/12 Actual</b>	<b>2012/13 Actual</b>	<b>2013/14 Budget</b>	<b>2014/15 Budget</b>
Rates	13,772	15,707	19,795	20,000	20,600
Cleaning	137,355	136,524	134,737	150,000	154,500
Maintenance	27,309	47,687	30,980	36,000	37,100
Insurance	4,459	5,217	8,159	8,000	8,300
Electricity	19,010	25,957	30,610	28,000	27,000
Vandalism	42,938	37,328	23,639	22,000	22,700
Consumables	20,988	12,208	8,559	11,000	11,400
<b>Total</b>	<b>265,831</b>	<b>280,628</b>	<b>256,479</b>	<b>275,000</b>	<b>281,600</b>

The public amenities maintenance budget is always under cost pressures, often due to vandalism and the need for urgent maintenance. Works undertaken are typically reactive as the recurrent funding allocated provides limited opportunities for a gradual lift in the standard of amenities.

This issue was recognised in the preparation of the 2013/14 budget where for the first time the long time financial plan now includes dedicated funding to a public amenities capital improvement program. The funding allocated is as follows:



## 4.2 Public Amenities - Improvement Program

Expenditure Category	2013/14 Budget	2014/15 Budget	2015/16 Budget	2016/17 Budget	2017/18 Budget
Capital	29,000 (1)	50,000	75,000	100,000	106,000

(1) This figure includes \$4,000 carried forward from a related project

The aim of the financial plan is to achieve a recurrent budget of \$100,000 for on-going public amenity improvements as the advice from staff is that this level of funding should provide a sustainable improvement program.

Based on the adopted forward financial plan, funding is limited for the first few years, which restricts the opportunities for major refurbishments. Recognising this, a program has been prepared that provides works that are feasible, within the allocated budgets. The amenities identified are all facilities with high use.

**Table Two**  
**Public Amenities Improvement Program - 2013/14 to 2016/17**

Public Amenities - Improvement Program	Estimate (\$)	2013/14	2014/15	2015/16	2016/17
		29,000	50,000	75,000	100,000
<b>Pop Denison Park</b>					
Rebuild into modular amenity block	100,000				100,000
Pop Denison Park BBQ and shelter (including electrical upgrade) (1)	18,000	18,000			
<b>Shelly Beach SLSC</b>					
Paint and toilet partitions	20,000		20,000		
<b>Bi-Centennial Park</b>					
Install ceilings and paint	55,000			55,000	
<b>North Lake Ainsworth</b>					
Repair/Paint	10,000		10,000		
<b>Commemoration Park</b>					
Repair/Paint	3,000	3,000			
<b>Alstonville Main Street</b>					
Repair/Paint	4,000	4,000			
<b>Naval Museum</b>					
Paint	2,000	2,000			
<b>Compton Drive Amenities</b>					
Asbestos Removal/Paint	15,000		15,000		
<b>Meldrum Park</b>					
Repair/Paint	5,000		5,000		
<b>Cawarra Boat Ramp Amenities</b>					
Repair/Paint	2,000	2,000			
<b>Riverview Park Amenities</b>					
Repair/Repaint	15,000			15,000	
<b>Flat Rock</b>					
Repair/Paint	5,000			5,000	
<b>Total</b>		<b>29,000 *</b>	<b>50,000</b>	<b>75,000</b>	<b>100,000</b>

## 4.2 Public Amenities - Improvement Program

- (1) In respect to this item Council resolved at the October 2013 Ordinary meeting to allocate savings from the Old Tintenbar Council Chambers refurbishment to a Pop Denison BBQ and shelter. The Tintenbar savings equate to \$35,000 and the estimated cost of the Pop Denison work is \$53,000. Therefore \$18,000 of the public amenities budget of \$29,000 is recommended to be allocated to Pop Denison. The concern with the October 2013 resolution is that it is creating new infrastructure when a higher priority for Council should be the refurbishment of existing infrastructure.

Other priorities for future years (i.e. 2017/18 to 2020/21) are as per table Three. Even though the funding does not match the budget in this table the information is included to highlight other amenities considered in the preparation of this report.

**Table Three  
Public Amenities Improvement Program - 2017/18 to 2021/22**

Public Amenities - Improvement Program	Estimate (\$)	2017/18	2018/19	2019/20	2020/21
		106,000	112,000	119,000	126,000
<b>North Missingham Bridge</b>					
Re-configure into male, female and people with disability (PWD) modules - Including removal of asbestos	130,000	X			
<b>Lennox Main Beach Toilets</b>					
Re-configure into male, female and PWD modules	130,000		X		
<b>Kerr Street</b>					
Re-configure into male, female and PWD modules	130,000			X	
<b>Amphitheatre</b>					
Partitions / Paint program	30,000				X
<b>Total</b>	<b>424,000</b>				

In addition to the public amenities identified in tables two and three, the following table identifies existing infrastructure that may form part of other capital works projects.

**Table Four – Public Amenities (other projects)**

Item	Estimate (\$)
<b>Amenities adjacent to Coast Guard Tower</b>	
Refurbishment of existing toilet block – dependent on coastguard tower design	10,000
<b>Moon Street</b>	
Construction of new public amenity – dependent on Captain Cook Master Plan	130,000
<b>Public amenities adjacent to Lennox SLSC</b>	
Defer until future of Lennox Head Surf Club is confirmed.	Unknown

Council is committed to undertaking the replacement of the Coastguard Tower, however there is no funding identified in our long term financial plan for the Captain Cook redevelopment, so Council may well wish to include this project in this amenities program.

In respect to the Lennox Head Surf Club there is approximately \$1.5 million available for works in this precinct of Lake Ainsworth, albeit that Council is still to determine what works will be funded from those monies.

## **4.2 Public Amenities - Improvement Program**

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Other public amenity projects currently under consideration are:

- a) Fawcett Park – Council has let a contract for the refurbishment of the existing toilets that are part of the Fawcett Park cafe
- b) Wigmore Car Park – The draft Section 94 Car Parking Plan includes an allowance for new public amenities in this location and if that plan is adopted it will allow these works to proceed.

### Amenity Condition/Profile

Many of our public amenities are ageing and do not meet current acceptable standards for items such as:

- accessibility for all members of the community
- levels of security to help prevent vandalism and other socially unacceptable behaviour
- aesthetics and condition in relation to the surrounding environment.
- Environmentally sustainable fixtures and fittings.

The identified program of works (which reflects the budget) is aimed at working towards improving the immediate aesthetic requirements for high usage / priority facilities. The program also identifies opportunities to improve the design of our existing toilet amenities to improve accessibility, security and maintenance.

The improvements intended for some of the high profile/use toilet blocks reflects a new modular design approach. Most of the older existing toilet amenities have an open plan design consisting of a urinal and cubicles for the male section and cubicles for the female section and in some instances, disabled facilities often in both of these sections. This means that if a cubicle is vandalised this can often result in the entire male or female section of the facilities requiring to be closed until maintenance is completed.

The new modular design improves accessibility and security through the cubicles being single person access unisex modules and also through separate modules in some instances for people with disabilities (PWD).

Council now has some of these self-contained type modules installed at the Lighthouse Surf Life Saving Club and a single unisex/PWD unit at Pat Morton Lookout Lennox Head.

The new designs provide better aesthetics and utilise environmental sustainable fixtures and fittings. The facilities are accessed by one person at a time and open to the outside of the building. This gives the user a larger degree of personal security and further with the increased visual safety available surrounding the cubicle prior to entry.

In terms of maintenance of the facilities, if one of these modules is damaged or out of order, the other/s on site can still be used by both sexes.

## **4.2 Public Amenities - Improvement Program**

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### **Legal / Resource / Financial Implications**

The proposed four year public amenity improvement program has been designed to fit within the existing budget allocations provided in the Delivery Program.

### **Consultation**

Council trade and cleaning staff have been consulted during the development of the program of works due to their understanding of the social and maintenance requirements for these facilities.

Council has utilised external contractor and internal expertise to provide estimates for a number of the projects listed.

### **Options**

Council has the option of endorsing the proposed program of works or amending that program. The recommendation is to endorse the program, as the information has been prepared based on direct feedback from the staff managing this infrastructure.

### **RECOMMENDATION**

That Council endorses the Public Amenities Improvement Program, as per tables two and three of this report, for inclusion in the Delivery Program and Long Term Financial Plan.

### **Attachment(s)**

Nil

### **4.3 Ballina Naval and Maritime Museum - Improvement Program**

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#### **4.3 Ballina Naval and Maritime Museum - Improvement Program**

**Delivery Program** Operations Support

**Objective** To confirm how Council wishes to expend the funding allocated in the 2013/14 budget for improvements to the Ballina Naval and Maritime Museum.

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#### **Background**

At the November 2012 Ordinary meeting Council received a report on the heritage options available for the management of to the timber vessels housed at the Naval and Maritime Museum.

Council resolved at that meeting to undertake a site inspection of the Ballina Naval and Maritime Museum and hold an associated workshop to discuss the issues and options outlined in this report in relation to the future management of the *Florrie*, *Richmond* and *La Balsa*, the museum and the reserve on which the museum is located.

Council then received another report on the historic vessels and the Ballina Naval and Maritime Museum, with the following resolved at the 28 February 2013 Council meeting:

1. *That Council endorses retention of the Ballina Naval and Maritime Museum in its present location.*
2. *That Council confirms its support for the retention, enclosure, conservation and interpretation of the PV Richmond vessel.*
3. *That Council confirms its support for the retention, conservation and interpretation of part of the MV Florrie vessel.*
4. *That Council confirms its support for the preparation of a Conservation Management Plan for the PV Richmond and MV Florrie with grant funding to be sought for this work.*
5. *That Council confirms its support for the retention of the La Balsa raft at the Ballina Naval and Maritime Museum.*
6. *That Council authorises the General Manager to engage architectural services to prepare a concept design and cost estimates for extensions to the northern side and enclosure of the western side of the Ballina Naval and Maritime Museum as a means of better protecting and interpreting the heritage vessels. The estimated budget for this consultancy is \$10,000 with the General Manager to offset this expenditure by identifying savings elsewhere in the Council budget.*
7. *That Council applies for grant funding such as the Museum's Advisory Program to allow independent advice to be provided to ensure the collection is being maintained effectively within the available space.*

### **4.3 Ballina Naval and Maritime Museum - Improvement Program**

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Further to this, in April 2012, Council had become aware of the deterioration of the asbestos roof cladding at the Naval Museum. Council subsequently engaged professionals to examine the property. The assessing company provided a report that identified the need to remove and replace the material in the short to medium term.

Council in sourcing funding for this project took the opportunity to endeavor to obtain grant funding, and in April 2013 received notification that a \$94,981 (excl GST) grant was approved (based on a dollar for dollar basis) under the Community Building Partnership Program 2012. The grant funding was allocated to the removal and replacement of the asbestos roof and wall cladding on the exterior of the Ballina Naval and Maritime Museum.

With the grant funding approved for the asbestos removal, it was deemed an opportune time to carry out some changes to the building itself, both for vessel protection and modification of the building. Council resolved to allocate \$10,000 for architectural concept designs which were presented at a Councillor workshop in September 2013.

The 2013/14 budget now includes a total of \$200,000 for improvements to the museum and with \$10,000 allocated to the architectural concept designs the purpose of this report is to confirm how Council wishes to expend the remaining \$190,000.

#### **Key Issues**

- Deteriorating asbestos roof
- Design options
- Budget limitations

#### **Information**

##### Deteriorating Asbestos Roof

Council was alerted to the deterioration of the asbestos roof cladding in April 2012. Council subsequently obtained quotations for inspection and reporting from suitably qualified professional entities. OCTIEF Pty Limited was engaged as the service provider in May 2012 and carried out the site inspection.

The report provided by OCTIEF identified that the roofing asbestos material was breaking down and was getting further exacerbated by storm damage. OCTIEF emphasised the need to seal the asbestos with paint material in the short term and to replace the roof in the short to medium term.

The Community Building Program (CBP) grant is for the replacement of the external asbestos cladding and this work will need to be tendered, subject to Council confirming that we will proceed with this work.

##### Design Options

Local Architect Dominic Finlay-Jones was awarded the contract to prepare design options for Council and after consultation with staff and the museum volunteers three design options were presented to a Councillor workshop on 9 October 2013.

### 4.3 Ballina Naval and Maritime Museum - Improvement Program

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The information presented is summarised below and concept design plans are attached.

#### **Scheme A**

Focuses on:

- Re-roof, insulation and install ceiling lining
- Decommission of the *Florrie* (full digital scan, 3D model, video presentation but no boat)
- Housing of the *Richmond* out of the elements without any added floorspace
- Lining of the 'boat shed' walls - new window as shown
- Minor street frontage upgrades (front door, minor awning, paint)
- BCA upgrade (emergency lights, electrical etc)

Estimated Cost: \$266,000 (excluding electrical and BCA and access changes)

This option includes the estimated cost of relocation of the Richmond, which is approximately \$20,000.

#### **Scheme B**

Focuses on:

- Re-roof, insulation and ceiling lining.
- Partial decommission of the *Florrie* (as shown – volunteer's preferred option)
- The housing of the *Richmond* out of the elements, within a new northern addition
- Major street frontage upgrades (front door, lobby, large awning, enclosure of the Richmond, paint, signage).
- Lining of the 'boat shed' walls - new window as shown.
- BCA upgrade (emergency lights, electrical etc).

Estimated Cost: \$711,000

#### **Scheme C**

Scheme C, focuses on conceptual change which fall outside the brief:

- Prepare for a new building, do it once (well) and remove what is essentially a very poor building added-to badly over time
- The new facility could be very utilitarian, basically a tricked up shed, but with good space, planning, views and sitting - capitalising on a connection to the boat harbour and the river
- Upgrade the surrounding area as a park (the *Las Balsas* plaza) and allow for a new community hall/function centre with river views (thereby freeing up the Richmond Room once and for all).

Estimated Cost: Not Costed

### Staged options

Council staff have liaised with Naval Museum volunteers post the Councillor briefing and the volunteers are asking that Council take a more practical approach to any changes or enhancements to the building. Firstly by utilising the grant funding as intended for the removal of asbestos, as documented in the CBP funding agreement, and secondly by making staged changes to the building as funding is made available.

They are of the opinion that the project could go forward in a positive way, with all current stakeholders engaged, if we stage the project in a practical staged manner, similar to:

#### Stage One

1. Remove and replace the asbestos as per the grant and Council matched funding – estimated cost \$188,000.
2. Install a ceiling, new wiring and lighting in the main building at the same time as the roof replacement for economies of scale and update the building with some current BCA requirements. This has not yet been formally estimated however is likely to be approximately \$50,000.
3. Stabilise the Richmond in its present location for now.

#### Stage Two

Seek further grant funding to enclose the Richmond in its present location with alterations to the front entry, or to move the Richmond to the location currently housing the Florrie. This would involve the cladding and modernisation of the area currently housing the Florrie (retaining part or nothing of the Florrie) and improving access to and viewing of the exhibits.

### Legal / Resource / Financial Implications

The existing budget allocated to the project is \$200,000 comprising of \$105,000 Council funding and \$95,000 funded through the Community Building Program. \$10,000 has been spent to date on design costs.

### Consultation

- Council engaged OCTIEF Pty Limited to conduct a condition report on the Buildings asbestos cladding
- Dominic Finlay-Jones Architect was contracted to prepare concept building design options
- Volunteer members from the Naval and Maritime Museum have been engaged in the pre and post design discussion
- Councillors have been involved in discussions with Council staff and Naval and Maritime Museum volunteer members.



### **Options**

The options relate to the works program with recognition that there are restrictions on the use of the grant funds. The CBP grant funding is for the asbestos roof replacement although there is the possibility that the conditions could be amended by applying to the NSW State Government.

All of the options presented in the report are actually in excess of the \$190,000 budget. This being the case the preferred option is to undertake the roof replacement works as originally proposed.

Council will call tenders for this work and if the tender is below the \$190,000 this will provide an opportunity, at that time, for Council to identify any other works it wishes to see completed.

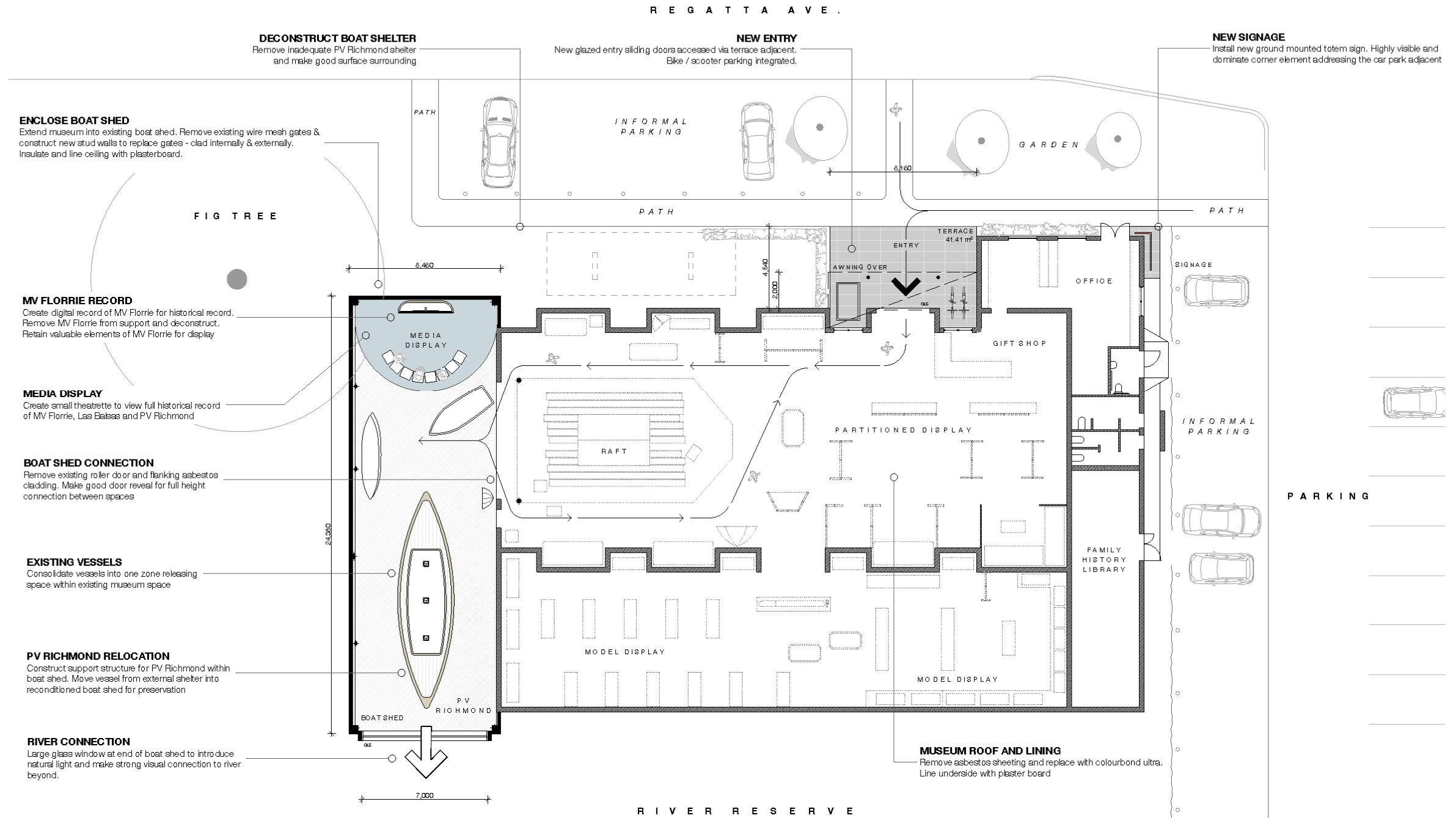
In respect to future plans for the Museum, Councillors may well wish to include in the recommendation a preference as to how any future works should proceed, as that direction would also then help with any future grant applications. A preference has not been included in the recommendation as that information is not needed for the purposes of confirming how the \$190,000 is to be expended.

### **RECOMMENDATION**

That Council confirms that the \$190,000 budget remaining for the Ballina Naval and Maritime Museum is for the asbestos roof replacement works with the General Manager authorised to call tenders for this work.

### **Attachment(s)**

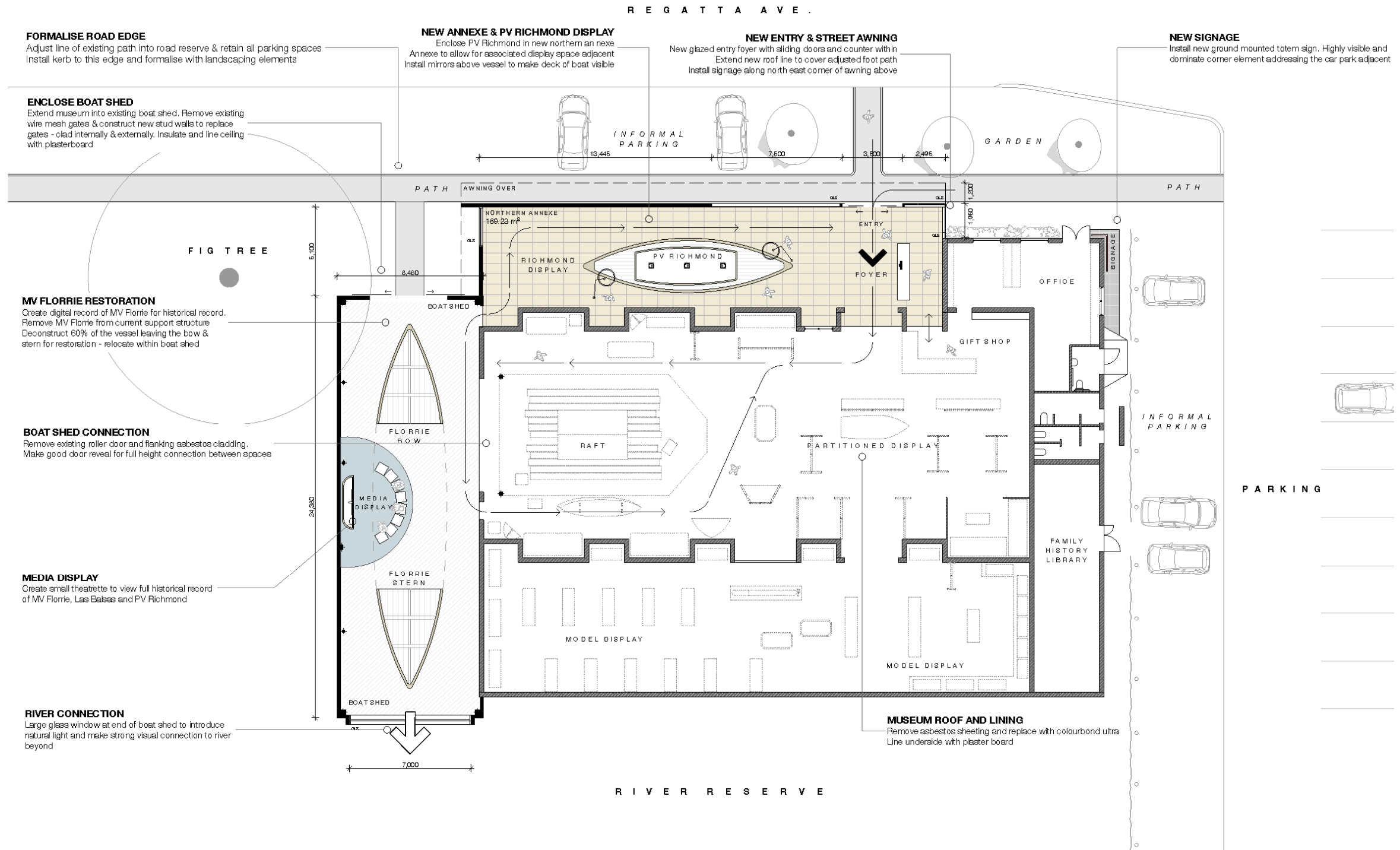
1. Naval and Maritime Museum Design Options - Dominic Finlay-Jones



<p>DOMINIC FINLAY JONES ARCHITECTS PTY LTD 7 George Street Ballina NSW 2479 PO Box 431 Ballina NSW 2478 T 6612 5687 1425 e office@dfj.com.au</p>	REV	SUBJECT	INT	DATE	REV	SUBJECT	INT	DATE

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<p>PROJECT BN&amp;MM ALTERATION &amp; ADDITIONS FOR BALLINA NAVAL &amp; MARITIME MUSEUM AT LOT 502 DP 729388 REGATTA AVE. BALLINA NSW</p>	<p>DRAWING TITLE SCHEME A FLOOR PLAN</p>	<p>NO. IN SET / WALL NO. IN SET 1 / 1</p> <p>DRAWING NUMBER SK 01</p>	<p>JOB NUMBER DFJ055</p> <p>SCALE: A1 SCALE: A3 SCALE: A</p>
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<p>DOMINIC FINLAY JONES ARCHITECTS PTY LTD 7 George Street Ballina NSW 2479 PO Box 431 Ballina NSW 2479 Australia t +61 2 6621 1420 e office@dfj.com.au info@dfj.com.au</p> <p><small>VERIFY ALL DIMENSIONS &amp; CHECK LEVELS &amp; SIZES BEFORE COMMENCING WORK. DO NOT SCALE FROM THE DRAWING. THE DRAWING IS TO BE USED AS A GUIDE ONLY. THE ARCHITECT SHALL NOT BE RESPONSIBLE FOR ANY DAMAGE TO THE WORK OR TO THE PROPERTY OF THE CLIENT OR TO THE ENVIRONMENT CAUSED BY THE WORK OR TO THE ARCHITECT.</small></p>	<table border="1"> <thead> <tr> <th>NO</th> <th>SUBJECT</th> <th>INT</th> <th>DATE</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	NO	SUBJECT	INT	DATE					<table border="1"> <thead> <tr> <th>NO</th> <th>SUBJECT</th> <th>INT</th> <th>DATE</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	NO	SUBJECT	INT	DATE					<p>PROJECT BN&amp;MM ALTERATION &amp; ADDITIONS FOR BALLINA NAVAL &amp; MARITIME MUSEUM AT LOT 502 DP 729388 REGATTA AVE. BALLINA NSW</p> <p><small>NOMINATED ARCHITECT: DOMINIC FINLAY JONES NSW/REG/ARCH/1161</small></p>	<p>DRAWING TITLE SCHEME B FLOOR PLAN</p>	<table border="1"> <tr> <td> <p>NO NTH (WALL INDEX)</p> </td> <td> <p>JOB NUMBER DFJ055</p> </td> <td> <p>SCALE(A) SCALE(B) SCALE(C) SCALE(D) SCALE(E) SCALE(F) SCALE(G) SCALE(H) SCALE(I) SCALE(J) SCALE(K) SCALE(L) SCALE(M) SCALE(N) SCALE(O) SCALE(P) SCALE(Q) SCALE(R) SCALE(S) SCALE(T) SCALE(U) SCALE(V) SCALE(W) SCALE(X) SCALE(Y) SCALE(Z)</p> </td> </tr> <tr> <td> <p>DRAWING NUMBER SK 02</p> </td> <td> <p>DATE A</p> </td> <td> <p>SCALE(A) SCALE(B) SCALE(C) SCALE(D) SCALE(E) SCALE(F) SCALE(G) SCALE(H) SCALE(I) SCALE(J) SCALE(K) SCALE(L) SCALE(M) SCALE(N) SCALE(O) SCALE(P) SCALE(Q) SCALE(R) SCALE(S) SCALE(T) SCALE(U) SCALE(V) SCALE(W) SCALE(X) SCALE(Y) SCALE(Z)</p> </td> </tr> </table>	<p>NO NTH (WALL INDEX)</p>	<p>JOB NUMBER DFJ055</p>	<p>SCALE(A) SCALE(B) SCALE(C) SCALE(D) SCALE(E) SCALE(F) SCALE(G) SCALE(H) SCALE(I) SCALE(J) SCALE(K) SCALE(L) SCALE(M) SCALE(N) SCALE(O) SCALE(P) SCALE(Q) SCALE(R) SCALE(S) SCALE(T) SCALE(U) SCALE(V) SCALE(W) SCALE(X) SCALE(Y) SCALE(Z)</p>	<p>DRAWING NUMBER SK 02</p>	<p>DATE A</p>	<p>SCALE(A) SCALE(B) SCALE(C) SCALE(D) SCALE(E) SCALE(F) SCALE(G) SCALE(H) SCALE(I) SCALE(J) SCALE(K) SCALE(L) SCALE(M) SCALE(N) SCALE(O) SCALE(P) SCALE(Q) SCALE(R) SCALE(S) SCALE(T) SCALE(U) SCALE(V) SCALE(W) SCALE(X) SCALE(Y) SCALE(Z)</p>
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							<p>DATE/REV SK 03</p>			






NO	SUBJECT	INT	DATE	NO	SUBJECT	INT	DATE

PROJECT  
 EN&MM ALTERATION & ADDITIONS  
 FOR  
 BALLINA NAVAL & MARITIME MUSEUM  
 AT  
 LOT 502 DP 729388  
 REGATTA AVE. BALLINA NSW

APPROVED ARCHITECT: DOMINIC FINLAY JONES ARCHITECTS PTY LTD

DRAWING TITLE  
 SCHEME C(b)

NO. OF SHEETS 10	NO. OF SHEETS USED 10	DATE 14/05/13	SCALE AS SHOWN
		DRAWING NUMBER SK 04	
PROJECT NUMBER DFJ055		SHEET NUMBER A	



#### 4.4 **Ballina Town Centre - Beautification Program**

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#### 4.4 **Ballina Town Centre - Beautification Program**

**Delivery Program** Financial Management

**Objective** To consider a proposal to reallocate surplus funding from the Ballina Heights Drive project to finance another stage of the Ballina Town Centre Beautification program.

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#### **Background**

During the past ten years Council has completed the following stages of the Ballina Town Centre Beautification program:

- Fawcett Park
- River Street - Cherry Street to Moon Street
- River Street - Cherry Street to Martin Street
- River Street / Cherry Street Roundabout to Fawcett Park

At the March 2012 Finance Committee meeting Council was advised that the estimated cost, at that time, to complete the remaining segments was:

**Table One - Ballina Town Centre Beautification – Segment Estimates**

<b>Segments</b>	<b>2010 Estimate (\$)</b>	<b>2012 Estimate (\$)</b>
River / Cherry Street Roundabout to Fawcett Park	1,486,000	1,500,000
River / Moon Street Roundabout to Fawcett Park	1,313,000	1,500,000
River / Martin Street Roundabout	473,000	500,000
River / Grant Street Roundabout	536,000	500,000
River Street – Cherry to Martin Street	1,607,000	1,800,000
River Street – Moon to Grant Street	1,607,000	1,800,000
<b>Total</b>	<b>7,022,000</b>	<b>7,600,000</b>

Since that report Council has now completed:

- River / Cherry Street Roundabout to Fawcett Park and
- River Street – Cherry Street to Martin Street.

The total cost of these segments was approximately \$3.16m (compared to the then estimate of \$3.3m).

Following recent advice that there was likely to be savings from the Ballina Heights Drive project, and with funding available to Council through a low interest Local Infrastructure Renewal Scheme (LIRS) loan of \$1.2 million, Councillors expressed an interest in determining whether funding could be made available for the River Street / Moon Street roundabout to Fawcett Park segment.

This project is a high priority due to the poor condition of the existing roundabout.

The report that follows examines the feasibility of funding this project.

#### 4.4 Ballina Town Centre - Beautification Program

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##### Key Issues

- Funding options and priorities

##### Information

Council accepted a tender for the construction of Ballina Heights Drive at the 30 April 2013 Extraordinary meeting. The tender figure accepted at that meeting was approximately \$8,040,000.

The total budget for Ballina Heights Drive, as presented to the April 2013 Extraordinary meeting, was based on the following estimate:

Item	(\$'000)
Expenditure to date (2012/13) on specification, design etc	73
Tender	7,961
Noise Attenuation (part of tender)	79
Contract Supervision	80
Contingency (10%)	807
<b>Total</b>	<b>9,000</b>

The 30 April 2013 Extraordinary meeting also included a report on the \$5m grant Council had received for Ballina Heights Drive, as part of the Building Better Regional Cities (BBRC) Program.

The report on this grant provided a funding model for Ballina Heights Drive, as per the following:

Item	(\$'000)
BBRC Grant	5,000
Section 94 Road Contributions Held	2,850
External Loan - LIRS	727
Ballina Heights Loan Reserve (2011/12 loan repayment)	141
Ballina Heights Loan Repayment 2012/13	141
Ballina Heights Loan Repayment 2013/14	141
<b>Total</b>	<b>9,000</b>

Points to note in this funding model are:

- Section 94 Road Contributions – Ballina Heights Drive is included in Council's Section 94 Roads Contribution Plan, with 70% of the project to be funded from developer contributions. The estimated cost of Ballina Heights Drive in the Plan, when it was adopted in 2010, is \$4 million.

Since the Roads Plan was adopted the contributions have been increased by a total of 7.42% (CPI). This means the \$4m project cost can also be indexed upwards, resulting in a revised estimate of \$4,297,000 for Section 94 Plan purposes, albeit that the actual cost is far higher.

Based on this revised estimate of \$4,297,000 the maximum funding from Section 94 road contributions available for this project is \$3,007,900 (i.e. 70% x \$4,297,000). At the time of the 30 April 2013 report Council held road contributions of \$2,850,000, with all of the funds collected being allocated to this project.

- External Loan – Council had originally proposed to borrow \$1.2 million to finance Ballina Heights Drive in 2011/12, however due to the major cost

#### 4.4 Ballina Town Centre - Beautification Program

increase, the project was subject to a number of reviews during 2011/12 and 2012/13 to try and reduce the total cost.

Once the BBRC funding was announced Council was able to reduce the required loan funding to \$727,000.

- Reserve and Loan Repayments (Three amounts of \$141,000) – As Council had originally planned to take out a loan of \$1.2 million in 2011/12, our forward financial plan included loan repayments of \$141,000 per annum from 2011/12 onwards.

This loan was not taken out as originally planned and the budgeted loan repayments have either been transferred to reserve, or set aside, to help offset the capital cost of the project.

In respect to the current \$9m budget for Ballina Heights Drive, staff initially had a number of concerns with regard to possible contract variations due to the soil and earthwork difficulties often encountered in the low lying areas of Ballina Heights.

Pleasingly the contract has proceeded as planned to date and with work well advanced it is an opportune time to review the state of the project budget.

Also the original evaluation for this tender was completed by NSW Public Works and the information in the April 2013 report was based on the tender figures being GST inclusive. From a budgeting perspective, Council operates on a GST exclusive basis, which means the actual net cost to Council of this contract is approximately \$7,309,000 (i.e. \$8,040,000 less GST).

Based on these comments the latest budget information for Ballina Heights Drive is now as follows:

**Table Two – Updated Ballina Heights Drive Budget (\$)**

Item	2012/13 Expended	2013/14 Expended	Total Expended	Latest Estimate
Ardill Payne and Partners	49,665	14,016	63,681	90,000
BBRC Related Expenses	4,605	3,183	7,788	20,000
Council Wages and Expenses	3,000	853	3,853	10,000
CRG Acoustics	1,800	0	1,800	8,000
Design Team Ink	4,648	0	4,648	10,000
Deane – Construction Contract	0	2,385,630	2,385,630	7,309,000
Public Works	43,178	0	43,178	43,200
Contract Supervision	8,244	26,856	35,100	80,000
Other Incidentals	2,569	0	2,569	10,000
Contingency	0	0	0	419,800
<b>Total</b>	<b>117,708</b>	<b>2,430,538</b>	<b>2,548,246</b>	<b>8,000,000</b>

This revised estimate of \$8m represents a \$1m saving from the \$9m adopted budget. Major changes in the revised budget are:

- Elimination of GST on contract – saving of \$731,000



#### 4.4 Ballina Town Centre - Beautification Program

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- Reduction in contingency – Net saving of \$269,000 once other costs such as Ardill Payne, Public Works etc are absorbed into the original contingency. As the project is well advanced it is reasonable to reduce the overall contingency amount.

As a point of interest Council actually expended \$233,224 in 2010/11 and \$98,669 in 2011/12 on design reviews, testing etc for Ballina Heights Drive. These costs do not form part of this report, as they were not included in the \$9m project budget adopted at the 30 April Extraordinary meeting.

This expenditure has been separately funded by Council in each of those earlier years and the information has only been included to highlight the overall cost of this project and the years of work that has gone into delivering this new road.

This latest review of the total project for Ballina Heights Drive has also identified that the current construction contract includes infrastructure that is the responsibility of the developers, along with delivering wastewater infrastructure.

The developers are responsible for the following works, as listed in the contract schedule (including estimated cost):

<b>Item</b>	<b>Estimate (\$)</b>
Level one fill to future residential lots	80,000
New rock wall fronting future lots	6,000
Concrete steps	6,000
One of the stormwater lines	94,000
Sewer reticulation	74,000
Water reticulation	60,000
Recycled water reticulation	46,000
Entry wall	22,000
<b>Total</b>	<b>388,000</b>

The actual payment from the developers for this work will depend on the final cost and this could be subject to significant change, primarily downwards, due to design changes etc that are being worked through as the project progresses. If this does occur the overall cost of the contract will decrease.

From a budgeting perspective an allowance of \$388,000 needs to be included for payment from the developers for these works, albeit that this figure could ultimately be less based on the actual cost incurred.

In addition to this there is a 300mm diameter recycled water trunk main (estimate of \$260,000) that will need to be paid for out of the current wastewater budget for the dual reticulation scheme (2013/14 budget of \$4.523m in the wastewater fund)

These two items mean that the net cost to the General Fund of Ballina Heights Drive can be reduced by another \$648,000 (\$388,000 plus \$260,000).

#### 4.4 Ballina Town Centre - Beautification Program

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Based on this information Council is now able to revise the funding allocated to Ballina Heights Drive as per the following summary:

<b>Item</b>	<b>Amount (\$)</b>
BBRC Grant	5,000,000
BBRC Grant (Interest accrued to date)	12,800
Section 94 Road Contributions	2,339,200
Mmaximum contribution from Developers	388,000
Wastewater contribution to project	260,000
<b>Total</b>	<b>8,000,000</b>

In respect to the wastewater contribution, as this relates to wastewater assets it will be necessary to reduce the General Fund budget by \$260,000, with that expenditure then being included in the wastewater program: i.e.

Ballina Heights Drive budget – General Fund	7,740,000
Ballina Heights Drive budget – Wastewater (trunk main)	260,000

This revised funding model then leaves the following funds available for the River Street / Moon Street roundabout, or any other works considered a priority by Council: i.e.

<b>Item</b>	<b>Amount (\$)</b>
External Loan – LIRS	1,200,000
Section 94 Road Contributions - Balance held	789,500
Ballina Heights Reserve and Loan Repayments	282,000
<b>Total</b>	<b>2,271,500</b>

The Section 94 Contributions balance is calculated as follows:

<b>Item</b>	<b>Amount (\$)</b>
Opening Balance – 1 July 2013	3,353,800
Less allocated to Hutley Drive in 2013/14 budget	32,000
Less allocated to BBRC Rebate Grants in 2013/14 budget	193,100
Less revised Ballina Heights Drive allocation	2,339,200
<b>Total</b>	<b>789,500</b>

No allowance is included in this figure for contributions collected during 2013/14 or interest accrued, which means this is a very conservative balance.

The Ballina Heights Reserve and Loan Repayments balance is calculated as follows:

<b>Item</b>	<b>Amount (\$)</b>
Opening Reserve Balance – 1 July 2013	164,300
Add Reserve Funds Used in 2012/13 Repaid from Section 94	117,700
<b>Total</b>	<b>282,000</b>

The \$117,700 relates to expenditure incurred in 2012/13 for Ballina Heights Drive, which was funded from this reserve, however this figure can be reimbursed based on the revised funding model and the increase in the availability of Section 94 road contribution monies.

The \$282,000 balance is an internal reserve and represents general revenue, which means this funding has no restriction on how it is allocated.

#### 4.4 Ballina Town Centre - Beautification Program

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On the other hand, the Section 94 Road Contributions and LIRS are subject to external restrictions in their use (i.e. Section 94 contributions as per the Roads Plan Schedule and the LIRS loan as per Council's application, with any reallocation to be approved by the Division of Local Government).

In summary Council has \$2,271,500 in funding available with a large part of that funding restricted in its use (i.e. Section 94 and LIRS).

If the Ballina Town Centre Beautification Program is the priority for this funding the latest estimate from the Civil Services Group for the River Street / Moon Street roundabout, inclusive to Fawcett Park is \$1.3 million.

This is lower than estimated in 2012 due to a reduction in the estimate for paving works and based on the actual experience of constructing the River / Cherry Street roundabout to Fawcett Park segment.

With \$2,271,500 available and an estimated cost of \$1.3 million this means there is ample funding for Council to proceed with these works. Importantly the River / Moon Street roundabout is identified in the Section 94 Roads, which allows the roads contributions to be applied to the project.

With more than adequate funding available Council may also wish to consider other works still to be completed in the Ballina Town Centre Beautification program: i.e.

**Table Three – Balance of Ballina Town Beautification Segments  
(assuming River / Cherry Street Roundabout to Fawcett Park proceeds)**

Segments	2010 Estimate (\$)	2012 Estimate (\$)	2013 Estimate (\$)
River / Martin Sts Roundabout	473,000	500,000	550,000
River / Grant Sts Roundabout	536,000	500,000	550,000
River - Grant to Moon Sts Segment	1,607,000	1,800,000	2,100,000
<b>Total</b>	<b>2,616,000</b>	<b>2,800,000</b>	<b>3,200,000</b>

There is inadequate funding to complete the Grant to Moon Street segment, which arguably also rules out the River / Grant Street roundabout. This then leaves the completion of the River / Martin Street roundabout as the remaining component with adequate funding available.

If Council resolved to proceed with this project we would also look to extend the pavement on the western side of the Martin Street to Fawcett Street section. This would ensure consistency in the pavement all the way to the Ramada building, as the Ramada used the same pavers as Council in their development.

In order to fund these two projects (\$1.85m in total) the recommendation would be to fully apply the LIRS loan of \$1.2m with the \$650,000 balance sourced from Section 94 Road Contributions.

The LIRS loan is recommended for the works as the advice from the DLG is that if Council is going to reallocate this funding from the identified project (i.e. Ballina Heights Drive) it would be a simpler process for the DLG to approve that reallocation if the funding went to a similar asset class (i.e. roads).

#### **4.4 Ballina Town Centre - Beautification Program**

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In respect to the funding from Section 94 contributions, the Section 94 Roads Plan allows for 70% of the cost of the River / Moon Street roundabout to be funded from developer contributions.

The estimated cost of the roundabout in the Section Plan is \$960,000. Indexing this figure by the 7.42% cost increase applied to the Plan to date, provides a revised project cost of \$1,031,000. This then allows \$721,700 (70%) of this work able to be funded from developer contributions, with only \$650,000 needed.

This funding proposal also means that the \$282,000 available in the Ballina Heights Drive reserve can be transferred to another project. Options for the use of that funding are outlined in the following report in this agenda.

#### **Legal / Resource / Financial Implications**

The key financial consideration is the use of the LIRS loan of \$1.2 million. By taking out this loan Council faces a 10 year liability for the loan repayments. This is a round two LIRS loan, which provides a 3% interest rate subsidy, with all LIRS loans based on a term of 10 years. Current loan rates are approximately 6% for 10 year loans, which equates to a net interest rate of 3% after the LIRS subsidy. This then represents an annual loan repayment of \$141,000 (approx).

The current long term financial plan already includes an allowance for this LIRS loan with the repayments for 2014/15 onwards based on an annual repayment of \$141,200.

The borrowing of the \$1.2 million does not change the existing forecasts in our long term financial plan, however, as per that plan, it does mean that approximately \$141,000 of the roads budget is being allocated to loan repayments for the next ten years.

A key part of Council's long term financial planning is to ensure that the funding allocated to capital expenditure for roads continues to grow in real terms, particularly as roads is always the highest priority in community satisfaction surveys.

Councils can get into financial difficulty by transferring funding from core services such as roads into other non core services, which in the long term will result in the deterioration of key infrastructure. To ensure this does not happen, Council's long term financial plan benchmarks our historical funding for capital expenditure on roads and a summary of how this occurs is shown in the following table:

#### 4.4 Ballina Town Centre - Beautification Program

**Table Four - Road Capital Revenue Funding (Summary)**

Year	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
1. Revenue	1,640	2,068	2,491	2,989	3,644	3,790	3,980	4,219	4,472	4,740	5,024	5,325
2. Levy	368	350	411	515	0	0	0	0	0	0	0	0
<b>3. Total</b>	<b>2,008</b>	<b>2,418</b>	<b>2,902</b>	<b>3,504</b>	<b>3,644</b>	<b>3,790</b>	<b>3,980</b>	<b>4,219</b>	<b>4,472</b>	<b>4,740</b>	<b>5,024</b>	<b>5,325</b>
4. Cap Rev	0	0	1,934	2,162	2,009	2,160	2,335	2,557	2,794	2,399	3,005	3,286
5. Loan P & I	0	0	783	1,065	1,206	1,256	1,192	1,192	1,192	1,838	1,438	1,438
6. Less Conts	0	0	(366)	(314)	(170)	(244)	(183)	(184)	(186)	(187)	(128)	(128)
7. Tfr to Mtce	0	0	267	297	297	306	315	324	332	340	348	357
8. Tfr to Patch	0	0	284	293	302	311	320	330	340	350	361	372
<b>9. Total</b>	<b>0</b>	<b>0</b>	<b>2,902</b>	<b>3,504</b>	<b>3,644</b>	<b>3,790</b>	<b>3,980</b>	<b>4,219</b>	<b>4,472</b>	<b>4,740</b>	<b>5,024</b>	<b>5,325</b>

Each of these line items is explained as follows:

1. Represents the revenue allocated to the roads capital budget as per the 2010/11 adopted Council budget, which is then increased by CPI, along with the inclusion of any special rate variation income as per item two.
2. Represents revenue from special rate variations that have been allocated to road capital expenditure to increase the total amount of that budget.
3. This sub total then represents the base line expenditure that Council should be aiming to allocate to road capital expenditure each year to ensure there is no deterioration in real terms.
4. This line is the actual revenue funded amount allocated to capital expenditure on roads in Council's budget and long term financial plan. This figure is not the same as line three as over the years there have been deliberate decisions to reallocate this expenditure to other road related activities, as per lines five to eight.
5. In recent years Council has borrowed for certain road projects, with the loan repayments then sourced by a reduction in the funding allocated to actual capital works. This line represents the principal and interest payments for those new loans. These loans have been taken up for Cumbalum Interchange and McLeay Culvert (\$3.85m), Plateau Drive (\$3m interest free loan from the State Government), along with the estimated future repayments for Ballina Heights Drive (\$1.2m LIRS loan).

The loan repayments are estimated to increase significantly in 2019/20 which relates to the possible construction of Hutley Drive. This project may require significant loan funding dependent on the amount of Section 94 road contributions collected at that date.

Hutley Drive will be subject to further financial reviews as development progresses in the Pacific Pines Estate.

6. Projects such as Plateau Drive, Cumbalum Interchange, Hutley Drive and Ballina Heights Drive are included in Council's Section 94 Plan therefore a certain amount of the Section 94 roads contributions collected each year can be applied to offset the cost of any loans for those projects.

#### **4.4 Ballina Town Centre - Beautification Program**

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7. In 2012/13 the Civil Services Group advised that from a long term road management perspective Council was financially better off by transferring funds from capital works to increased maintenance activities. This line represents that transfer.
8. Similar to item seven, in 2012/13 Civil Services requested a transfer of capital expenditure to heavy patching.
9. This line provides a sub total for this summary and the total funding should equal line three, which is the benchmark funding level.

Both the sub totals provided in Table Four demonstrate that Council is continuing to increase in real terms the revenue funding allocated to roads, albeit the mix of how that funding is allocated has changed over time.

The purpose of providing this information is to highlight how items such as loan repayments can dilute funding allocated to capital works (or any other works and services) therefore Council needs to ensure that it does not over commit in respect to loan repayments.

For comparative purposes prior to Council's four year program of special rate increases, for additional infrastructure spending (i.e. back in 2009/10) we were only allocating \$1.592 million in revenue to capital expenditure on roads. As per Table Four we are now allocating a significantly higher amount of funds to this area.

If Council had simply indexed the \$1.592 million from 2009/10 by CPI we would be allocating \$1.827 million in 2013/14 and by 2021/22 the figure would be \$2.490m. Table four demonstrates that in real terms Council has significantly increased its commitment to road expenditure through the application of special rate increases from 2010/11 to 2013/14.

On balance Council's overall debt ratio is still within manageable limits with the \$1.2m LIRS loan, although the general feeling is that we should not be borrowing for roads for at least the next few years, unless alternative funding sources for the loan repayments, other than the existing roads budget, are found.

#### **Consultation**

Internal consultation has been undertaken in preparing this report.

The Section 94 Roads Plan was prepared following significant technical analysis and consultation.

#### **Options**

The two key issues arising from this report are:

- a) a reduction in the Ballina Heights Drive budget from \$9m to \$8m, along with identifying additional funding of \$648,000 for this work; and
- b) The freeing up of funds to undertake the River / Moon Street roundabout to Fawcett Park (\$1.3m) and River / Martin Street roundabout (\$550,000) segments of the Ballina Town Beautification project (\$1.85m in total)

#### 4.4 Ballina Town Centre - Beautification Program

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There are no real options for Ballina Heights Drive as this report represents the latest available estimate.

In respect to the Town Beautification project Council has options as to which works it wishes to undertake and the LIRS loan could possibly be allocated to other road related works. As the River / Moon Street roundabout is identified in the Section 94 Roads Contribution Plan and both it and the River / Martin Street roundabout are considered high priority infrastructure renewal projects, the recommendation is to approve the allocation of the available funds to those projects.

If this recommendation is supported the Civil Services Group would aim to commence the works towards the end of the current financial year (i.e. April onwards).

#### RECOMMENDATIONS

1. That Council approves a reduction in the Ballina Heights Drive budget from \$9m to \$8 million with the works funded as follows:

<b>Item</b>	<b>General</b>	<b>Wastewater</b>	<b>Total</b>
Ballina Heights Drive	7,740,000	260,000	8,000,000
<b>Funding</b>			
BBRC Grant	5,000,000	0	5,000,000
BBRC Grant Interest	12,800	0	12,800
Wastewater Dual Ret	0	260,000	260,000
Section 94 Roads	2,339,200	0	2,339,200
Developer Payment	388,000	0	388,000
<b>Total</b>	<b>7,740,000</b>	<b>260,000</b>	<b>8,000,000</b>

2. That Council approves the inclusion of the following Ballina Town Centre Beautification projects and budgets in the 2013/14 financial plan:

<b>Item</b>	<b>Total</b>
River / Moon Streets Roundabout to Fawcett Street	1,300,000
River / Martin Streets Roundabout	550,000
<b>Total</b>	<b>1,850,000</b>
<b>Funding</b>	
Local Infrastructure Renewal Scheme (LIRS) Loan	1,200,000
Section 94 Road Contributions	650,000
<b>Total</b>	<b>1,850,000</b>

3. That Council approves an application to the Division of Local Government to reallocate the LIRS loan from Ballina Heights Drive to the Ballina Town Centre Beautification projects identified in point two.

#### Attachment(s)

Nil

## 4.5 Wollongbar Sports Fields - Funding Review

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### 4.5 Wollongbar Sports Fields - Funding Review

**Delivery Program** Governance and Finance

**Objective** To conduct a further review of the funding options for the Wollongbar Sports Fields project.

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#### Background

At the 17 September 2013 Facilities Committee meeting Council considered a report that examined the various components of the Wollongbar Sports Fields project. The purpose of the report was to allow Council to confirm the works it considered essential as there was insufficient funding available to complete every component of the project.

As a result of that report Council resolved as follows:

1. That Council confirms that the preferred program of works and budget for the Wollongbar Sports Fields Project is as per the following table, as detailed within this report and per the attachments to this report:

<b>Description</b>	<b>Amount</b>
Essential Works	3,421,509
Inclusions:	
“Important but Not Essential”	285,796
“Subject to Section 96”	190,000
Increased budget for clubhouse facilities	200,000
Provisional Sum Items	99,375
<b>Sub Total</b>	<b>4,196,680</b>
<b>Items for Consideration</b>	
Planting within site along road corridors & buffer zones	30,000
Provision of AC to 4 Netball Courts	100,000
Lighting to 2 Netball Courts	50,000
<b>Sub Total</b>	<b>4,376,680</b>
Contingency – 15%	656,502
<b>Total</b>	<b>5,033,182</b>
<b>Other costs already incurred or committed to-date</b>	<b>2,119,924</b>
<b>Total Estimated Project Cost</b>	<b>7,153,106</b>

2. That Council approves an increase in the existing funding allocated to this project of \$100,000 being interest earned on the Building Better Regional Cities grant income.
3. That Council confirms that the recurrent capital sport fields funding for 2014/15 is available for this project, being \$148,000 due to savings being achieved on the drainage works for Fripp Oval and Skennars Head sports Fields.
4. That Council notes that an application for \$200,000 in funding has been submitted to the NSW State Government’s Community Building Partnership Program.
5. That Council receive a further report that provides a financial overview of the funding needed to finalise all the major infrastructure projects currently underway being the Ballina Surf Club, Ballina Heights Drive and the Wollongbar Sports Fields.

In respect to point five a report was presented to the 15 October 2013 Commercial Services Committee meeting which confirmed the available funding for the Ballina Surf Club. The preceding report in this agenda reviewed Ballina Heights Drive and this report now provides a review of the funding available for the Wollongbar Sports Fields.



### Key Issues

- Funding options

### Information

The report to the September Facilities Committee meeting identified that Council has the following funding confirmed and available for the Wollongbar Sports Fields project:

Item	Amount (\$)
Building Better Regional Cities (BBRC) Grant	4,496,000
Commercial Opportunities Reserve	1,684,000
Estimated interest accrued on BBRC Grant	100,000
<b>Total</b>	<b>6,280,000</b>

The total project cost identified in the September 2013 Facilities Committee resolution is \$7,153,000, which leaves a shortfall of \$872,000.

The September Facilities Committee report advised that Council has applied for \$200,000 towards this project under the NSW State Government's Community Building Partnership Program. It is highly unlikely that Council will receive the full amount of this application and for budgeting purposes the recommendation would be not to include this grant as part of the budget. Rather, if the grant is successful, it should be treated as a bonus and thus allow Council to reduce our own revenue and reserve contributions to the project.

Mention was also made in the September report that as this project was likely to continue into the 2014/15 financial year Council can allocate our 2014/15 recurrent budget for capital improvements to sports fields, being approximately \$148,000 to this project. As this is a funding source that Council controls this is a realistic option.

The previous report in this agenda identified that \$284,000 was possibly available in an internal reserve from savings to Ballina Heights Drive. Even though these funds were set aside for a roads project, they represent revenue saved in previous years that could be allocated to the Wollongbar Sports Fields. Due to the difficulties we are currently having in balancing this budget it is recommended that the funds be transferred.

Also since the September 2013 Facilities Committee report interest accruals for 2012/13 have been finalised and the actual interest accrued on the grant funds received to date is \$101,000 not \$100,000 as per the earlier report.

Once these three items are included the total funding available is now \$6,713,000; i.e.

Item	Amount (\$)
Building Better Regional Cities (BBRC) Grant	4,496,000
Commercial Opportunities Reserve	1,684,000
Interest accrued during 2012/13 on BBRC Grant	101,000
Sports Fields Recurrent Capital Budget – 2014/15	148,000
Ballina Heights Loan Repayment Reserve	284,000
<b>Total</b>	<b>6,713,000</b>

## **4.5 Wollongbar Sports Fields - Funding Review**

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This leaves a revised shortfall of \$440,000.

Other funding options that need to be considered are as follows.

### ***Section 94 Contributions***

The Wollongbar Sports Fields is identified in the Open Spaces and Community Facilities Section 94 Plan, however there is minimal in the way of contributions collected to date. With the BBRC scheme also providing developer contribution rebates it is not feasible, at this point in time, to include any amount of significance from these contributions. Rather the contributions will be treated as monies recouped as and when they are collected into the future.

### ***Grants***

No other grants are immediately available and as mentioned earlier grants should be treated as a bonus when an application is successful.

### ***Interest on Grants***

Council has already accrued \$101,000 on the BBRC grant funds as the monies are being paid to Council well in advance of actual expenditure. Council currently has approximately \$1.5 million in grant funds held and based on forecast cash flows an allowance of at least \$40,000 can be provided for additional interest to be accrued this financial year.

### ***Property Reserves and Land Sales***

The 15 October 2013 Commercial Services Committee meeting considered the latest information available in respect to the future cash flows for Council's property reserves.

As per that agenda the Community Infrastructure Reserve is currently overdrawn and the Commercial Opportunities Reserve will be fully expended during 2013/14 due to funds allocated to the Ballina Surf Club.

This leaves the Property Development Reserve, which is forecast to have a balance of \$2,715,900 at 30 June 2014 and \$5,303,900 by 30 June 2015. The major qualification with the 30 June 2015 figure is that it includes forecast land sales of \$7.3 million for 2014/15.

In respect to the 30 June 2014 balance this is not reliant to any great extent on land sales, which means this reserve could provide the current funding shortfall of \$440,000 (or \$400,000 once the additional interest is included).

### ***Savings in Project Costs***

The project manager, Mr Craig Zerk, has advised that at this point in time the preference is to remain with the current budget of \$7,153,000, along with the contingency of \$656,000 as there is still a significant amount of detailed design work to be completed, along with tenders to be called.

## 4.5 Wollongbar Sports Fields - Funding Review

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### Legal / Resource / Financial Implications

The financial implications are outlined in the information section of this report.

### Consultation

There has been on-going consultation with the potential users of the sports fields, most notably the Wollongbar Rugby and Netball Clubs.

### Options

Council has previously reviewed the scope of the project to minimise the total expenditure required to complete the works.

This report has now reviewed the funding available and the only option that Council has to bridge the current shortfall is to apply funding from the Property Development Reserve, along with the additional interest accrued.

Ideally Council will be successful in obtaining additional grant funds for this project and the total contingency may also not be needed. If either of these items eventuates there would be a matching reduction in this proposed reserve transfer.

In the meantime it is important that Council has confirmed funding sources for the Wollongbar Sports Fields project and the recommendation that follows approves those funding sources.

The recommendation also identifies the different financial years due to the sports field recurrent capital budget not being available until the 2014/15 financial year. Based on the current construction program the works will continue into 2014/15 and any funding not expended in 2013/14 will be carried forward into that year.

### RECOMMENDATIONS

That Council approves the following funding sources for the Wollongbar Sports Fields project:

Description	2012/13	2013/14	2014/15	Total
Estimated Expenditure	1,758,000	5,247,000	148,000	7,153,000
<b>Funding</b>				
BBRC Grant	1,758,000	2,738,000	0	4,496,000
Interest Accrued on Grant	0	141,000	0	141,000
Commercial Opportunities Reserve	0	1,684,000	0	1,684,000
Sports Fields Capital Budget	0	0	148,000	148,000
Ballina Heights Loan Reserve	0	284,000	0	284,000
Property Development Reserve	0	400,000	0	400,100
<b>Total</b>	<b>1,758,000</b>	<b>5,247,000</b>	<b>148,000</b>	<b>7,153,000</b>

### Attachment(s)

Nil